

Monthly Economic Update September 2026

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1. Zimbabwe Economic Performance

1.1. Zimbabwe Economic Outlook

Zimbabwe's macroeconomic landscape has been defined by a major institutional restructuring, strengthening external buffers and monetary policy easing. In a defining structural shift, the Government split the Ministry of Finance, Economic Development and Investment Promotion into two dedicated portfolios, namely the Ministry of Finance, responsible for fiscal discipline, and the Ministry of Economic Development and Investment Promotion, to accelerate industrial growth and National Development Strategy 2 (NDS2) implementation.

On the monetary front, foreign currency inflows have been robust, jumping 33.7% year-on-year to reach US\$15.9 billion over nine months, allowing the Reserve Bank of Zimbabwe to aggressively build up its external reserves. Official gross international reserves surged to nearly US\$2 billion as of September 2026, up from US\$1.4 billion in June 2026. This has driven up import cover to two months, enhancing the currency's backing which has allowed the central bank to start gradually easing the monetary policy to stimulate economic activity.

Nevertheless, structural weaknesses and external headwinds continue to pose risks to economic performance and are likely to be compounded by anticipated modest agricultural output amid an 80% probability of El Niño conditions during the 2026/2027 summer cropping season. Against this economic backdrop, the table below presents Zimbabwe's economic growth forecasts as projected by the IMF and World Bank:

Zimbabwe Economic Growth Projections			
Year	2025	2026	2027
IMF (Oct 2026)	8.3	5.0	3.5
World Bank (Oct 2026)	8.3	5.3	3.0

Strategic insights and takeaways:

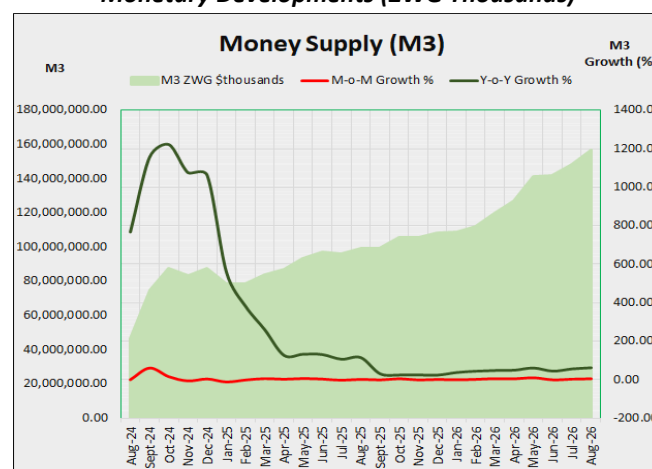
- Although monetary conditions are becoming more supportive of sustainable economic growth, structural weaknesses, such as over-reliance on primary commodities and inadequate buffers against supply-side shocks, continue to threaten recent gains in economic stability.

2. Zimbabwe Financial Sector

2.1. Money Supply

According to the latest RBZ data, Broad Money (M3) increased by 5.97% month-on-month in August 2026, rising to ZWG156.76 billion from ZWG147.93 billion in July 2026. On a year-on-year basis, M3 growth rose to 58.02% in August 2026, up from 53.80% in July 2026. The following graph illustrates these monetary trends from August 2024 to August 2026.

Monetary Developments (ZWG Thousands)



Source: RBZ – September 2026

Strategic insights and takeaways:

- Money supply growth has slowed noticeably over the past two years, contributing to greater market stability. However, it continues to outpace economic activity, indicating that excess liquidity is chasing limited goods and services. This suggests that the current stability remains fragile and requires further corrective measures.

2.2. Interest Rates

The Monetary Policy Committee (MPC) unveiled new resolutions on interest rates and key monetary tools during its recent meeting (28 September 2026) as summarized below.

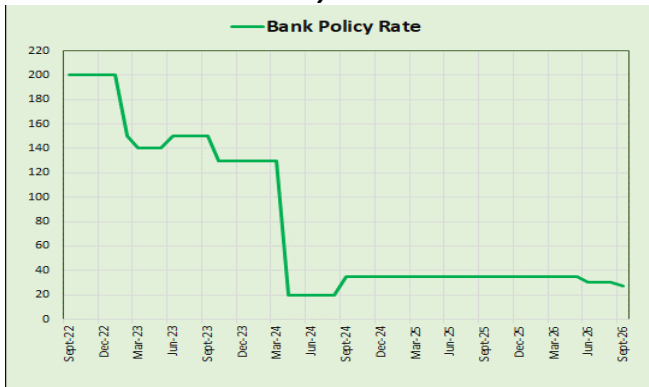
- Reduction of the bank policy rate from 30% to 27.5%.
- Interest rate on the Targeted Finance Facility (TFF), was reduced from 15% to 12.5%, proportional to the proposed reduction in the Bank policy rate, albeit with a cap on banks' on-lending to the productive sectors at an all-inclusive interest rate of 22.5%

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- Statutory Reserve Requirements maintained at 30% for demand deposits and 15% for savings and time deposits for both local and foreign currency deposits.

The graph below shows the interest rate trend for the period September 2022 to September 2026.

Bank Policy Rate Trend



Source: RBZ – September 2026

As of 25 September 2026, the weekly average minimum lending rates in local currency were recorded at 42.73% for individuals and 34.88% for corporates. On the other hand, average minimum deposit rates for savings, 1-month, and 3-month deposits were recorded at 4.35%, 7.13%, and 7.81%, respectively. The table below illustrates the trend in average minimum lending rates and average deposit rates denominated in ZWG.

Average Lending and Deposit Rates (ZWG)

Local Currency (ZiG) Interest Rates (Minimums)					
Week Ending	Lending Rates (%)		Deposit Rates (%)		
	Individual Clients	Corporate Clients	Savings	1-Month	3-Months
4-Sept-26	44.01	39.75	4.35	6.96	7.78
11-Sept-26	42.36	33.17	4.35	7.18	7.78
18-Sept-26	42.30	33.47	4.35	7.18	7.78
25-Sept-26	42.26	33.13	4.35	7.18	7.88
Average	42.73	34.88	4.35	7.13	7.81

Source: RBZ – September 2026

In US Dollar terms, the most recent weekly average minimum lending rates stood at 14.05% for individuals and 9.91% for corporates, whilst the latest average minimum deposit rates for savings, 1-month, and 3-month deposits remained steady at 2.15%, 4.41%, and 5.01%, respectively. The table below illustrates the trend in average minimum lending rates and average deposit rates denominated in USD.

Average Lending and Deposit Rates (USD)

Foreign Currency (USD) (Minimums)					
Week Ending	Lending Rates (%)		Deposit Rates (%)		
	Individual Clients	Corporate Clients	Savings	1-Month	3-Months
4-Sept-26	14.05	9.9	2.15	4.41	5.01
11-Sept-26	14.04	9.93	2.15	4.41	5.01
18-Sept-26	14.03	9.91	2.15	4.41	5.01
25-Sept-26	14.06	9.88	2.15	4.41	5.01
Average	14.05	9.91	2.15	4.41	5.01

Source: RBZ – September 2026

2.3. Foreign Currency Market

On a monthly average basis, the U.S. dollar broadly appreciated in September 2026, reversing the trend from the previous month. It gained against 9 of the 18 currencies in our analysis basket, with its most significant appreciation occurring against the Swedish Krona (+2.51%). Conversely, it registered its strongest appreciation against the South Korean Won (-3.36%). The following table outlines these average monthly changes.

Exchange rate analysis (Monthly Averages)

Exchange Rate Analysis (Averages)			
Currency/US\$	Aug-26	Sept-26	Change (%)
Argentine Peso	1496.3742	1513.9275	1.17
Australian Dollar	1.4089	1.4034	-0.39
Botswana Pula	13.4558	13.5368	0.60
Brazilian Real	5.1521	5.1417	-0.20
British Pound	0.7386	0.7452	0.89
Canadian Dollar	1.3909	1.3955	0.33
Chinese Yuan Renminbi	6.7382	6.7101	-0.42
Euro	0.8629	0.8681	0.60
Hong Kong Dollar	7.8430	7.8430	0.00
Indian Rupee	95.4340	95.4525	0.02
Japanese Yen	158.7979	156.3522	-1.54
Norwegian Krone	9.4260	9.3778	-0.51
Russian Ruble	83.0976	84.9059	2.18
South African Rand	16.1919	16.1935	0.01
Swedish Krona	9.5152	9.7539	2.51
Swiss Franc	0.8076	0.8188	1.38
South Korean Won	1406.0125	1358.8289	-3.36
Zimbabwean dollar	26.6138	26.6877	0.28

Source: X-Rates; © ZB Financial holdings

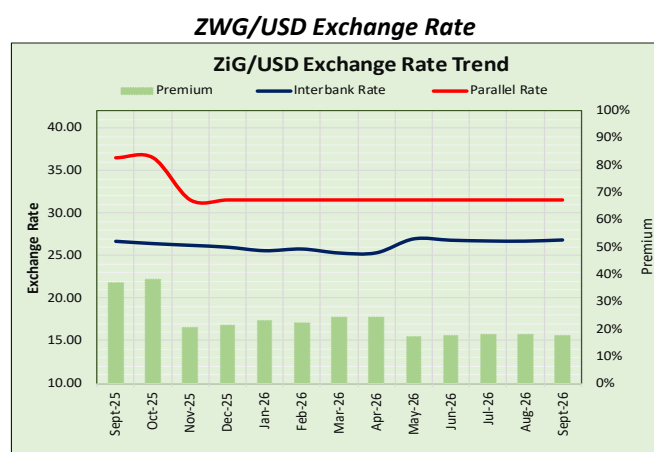
Strategic insights and takeaways:

- The strengthening dollar exerts upward pressure on the official USD/ZWG interbank rate. As global commodities become more expensive to import in USD terms, local monetary authorities face stricter policy constraints to keep inflation from seeping back into local price structures.

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2.4. Zimbabwe Gold (ZiG) Exchange Rate

In September 2026, the ZWG remained stable recording marginal month on month exchange rate variations. On the official market, it depreciated by 0.5% against the USD to ZWG26.80 per dollar from ZWG26.67 per dollar recorded at the end of August 2026. Meanwhile, the parallel market rate held steady at an average of ZWG31.50. Resultantly, the stability in the forex market kept the exchange premium steady at 18%, same as in the previous month. The chart below illustrates the movement of both interbank and parallel exchange rates from September 2025 to September 2026.



Source: RBZ & ZB Financial Holdings – September 2026

Strategic insights and takeaways:

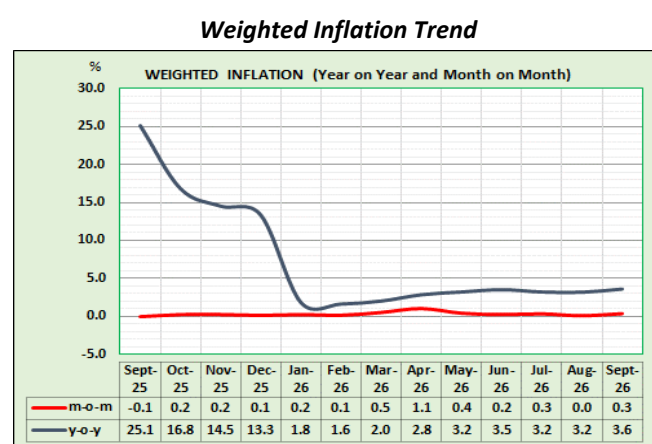
- The ZWG/USD exchange rate continues to hold firm, reflecting the efficacy of ongoing monetary policy. If sustained, this stability could expedite the timeline for de-dollarization, given the critical role played by stable exchanges in achieving macroeconomic fundamentals conducive for mono-currency.

3. Prices and Cost of Living

3.1. Inflation

a. Weighted Inflation

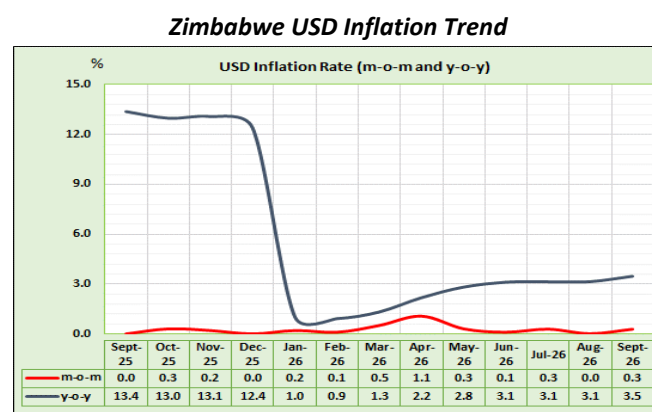
The weighted year-on-year inflation rate rose from 3.2% in August 2026 to 3.6% in September 2026, while month-on-month inflation climbed to 0.3% from 0.0%. The monthly increase was mainly driven by furniture, household equipment & maintenance, transport, and household utilities. Food prices were steady while those for clothing, communication and other several categories fell. The following graph illustrates the current trends of weighted inflation in Zimbabwe.



Source: ZIMSTATS – September 2026

b. USD Inflation

The USD year-on-year inflation rate rose 0.4 percentage points to 3.5% in September 2026. Month-on-month, USD inflation was 0.3%, up 0.3 percentage points from 0.0% the previous month. The increase was driven mainly by furniture and household equipment, and housing and utilities. The graph below illustrates the recent trend in USD inflation in Zimbabwe.



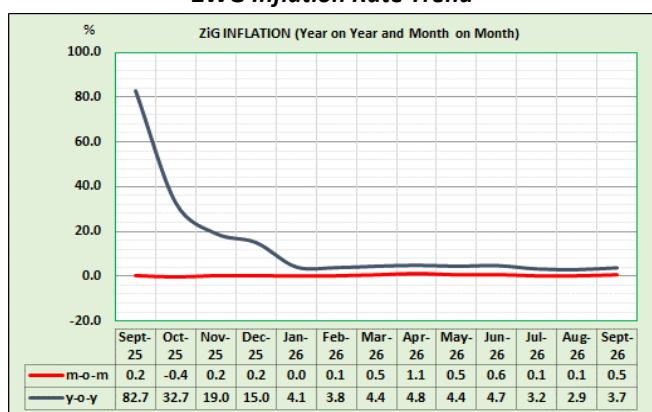
Source: ZIMSTATS – September 2026

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c. ZiG Inflation

The ZWG year-on-year inflation rate for September 2026, as measured by the all-items ZWG CPI was 3.7%, reflecting a 0.8 percentage points increase from the August 2026 rate of 2.9%. Month-on-month, the inflation rate was 0.5%, in September 2026, up from 0.1% in August 2026. The rise in the month-on-month inflation rate was largely attributed to the rise in the prices for alcoholic beverages and tobacco (+1.2%) as well as household utilities (1.1%). The following graph illustrates recent trends in ZWG inflation.

ZWG Inflation Rate Trend



Source: ZIMSTATS – September 2026

Strategic insights and takeaways:

- Inflation remains historically contained, but stability is fragile reflected by positive monthly inflation figures across all measures. Caution remains critical amid oil-market-driven inflationary pressures and the Reserve Bank's gradual monetary easing.

3.2. Poverty Datum Lines

The Total Consumption Poverty Line (TCPL), which reflects the minimum monthly income needed to cover both basic food and non-food needs, increased by 0.4% to ZWG1,353.35 in September 2026, up from ZWG1,347.45 in August 2026.

Meanwhile, the Food Poverty Datum Line (FPDL), measuring the cost to meet a basic daily-nutritional requirement of 2,100 calories per person, also increased by 0.3% to ZWG926.24 in September 2026 from ZWG923.07 in August 2026. Below is a tabulated summary of the poverty datum lines for the past five months:

Month	TCPL	% Change	FPDL	% Change
May-26	1,337.37	0.6	916.59	0.8
Jun-26	1,345.21	0.6	921.72	0.6
Jul-26	1,346.90	0.1	923.17	0.2
Aug-26	1,347.45	0.0	923.07	0.0
Sept-26	1,353.35	0.4	926.24	0.3

Source: ZIMSTATS – June 2026

Strategic insights and takeaways:

- Continuously rising poverty lines imply a widening gap between living costs and fixed nominal incomes. The resulting degradation of living standards poses a structural risk to the realization of the country's vision to transition into an upper-middle-income economy.

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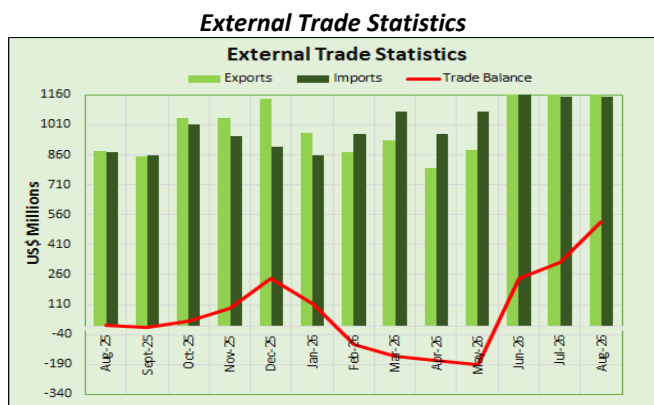
4. Zimbabwe Economic Sectors

4.1. External Sector

Latest data from ZIMSTAT indicate that Zimbabwe's merchandise exports increased by 14.2% to US\$1.68 billion in August 2026. Among the top ten products exported in August 2026 were semi-manufactured gold, other mineral substances, other ores and concentrates accounting for 44.0%, 19.5%, and 12.0% of the total value of exports, respectively.

On the procurement side, merchandise imports increased to US\$1.152 billion, up by 0.3% from US\$1.149 billion in the previous month. Mineral fuels, mineral oils and products, machinery and mechanical appliances, vehicles and electrical machinery and equipment were among the top ten imported products, constituting 22.2%, 15.5%, 6.8% and 4.9% of the total import value, respectively.

As a result, the trade balance improved from a surplus of US\$320.60 million recorded in July 2026 to a surplus of US\$526.5 million. The graph below illustrates trends in external trade statistics since August 2025.



Source: ZIMSTATS- September 2026

Strategic insights and takeaways:

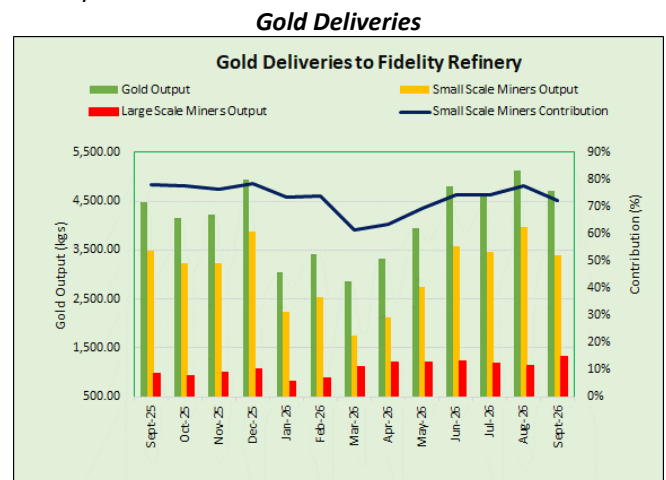
- The improved surplus is driven by price and volume movements in a narrow range of minerals rather than by broad-based export capacity. It should therefore not be mistaken for macroeconomic resilience. Diversification and import substitutions remain critical in attaining sustainable positive current account balances.

4.2. Mining Sector

The mining sector remains robust, with mineral export sales (excluding gold and silver) surging 101.8% to US\$4.735 billion for the first nine months of the year, driven heavily by lithium, which overtook Platinum Group Metals (PGMs) to generate US\$2.159 billion (45.6%) of total revenue.

Meanwhile, the government is intensifying its value-addition agenda by firmly rejecting industry extensions, confirming that the ban on lithium concentrate exports will take full effect on 1 January 2027, while simultaneously launching a major crackdown on mineral leakages that brought 19 illicit chrome and lithium export cases to court. Furthermore, strict regulatory changes are reshaping the sector, including a 1 January 2027 re-registration deadline targeting small- and medium-scale gold operations to enforce indigenous ownership laws, alongside ongoing digital transformation via the mining cadastre system and deep-level production expansions at major operations.

Meanwhile, Gold deliveries to Fidelity Gold Refinery saw a decline in September 2026, falling by 7.9% month-over-month to 4,715.46kg from 5,119.12kg in August 2026. This output contraction was driven primarily by a sharp 14.6% drop in artisanal and small-scale miners (ASM) output, which fell to 3,398.32kg from the previous month's 3,978.45kg. Large-scale miners' production improved, increasing to 1,317.14kg from 1,140.75kg and accounted for 28% of the refinery's total deliveries up from 22% in the prior month. The graph below summarizes trends in gold production activity.



Source: FGR – September 2026

4.3. Agriculture Sector

Zimbabwe's agriculture sector is defined by a projected 6.9% sector growth rate and a strong push toward regional food hub status, balanced against a looming El Niño weather cycle. Meanwhile, during the National Agriculture Conference and Expo (NACE 2026) strategies to cut the country's agriculture import bill by US\$2 billion have been outlined. However, while current harvests have temporarily stabilized supplies, the Meteorological Services Department and humanitarian agencies have warned of an impending IPC Phase 3 (Crisis) food security situation in deficit areas between October 2026 and January 2027, prompting

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stakeholders to urgently accelerate renewable energy and climate-resilient farming solutions ahead of the upcoming planting season.

4.4. Energy Sector

Zimbabwe's energy sector in September 2026 was shaped by fuel price increases, regulatory expansion, and grid reforms. ZERA raised Diesel 50 to US\$2.08 per litre and Blend E20 to US\$2.06, while a broader legal framework for renewable and alternative energy sought to attract private investment toward the 6,000 MW generation target by 2030. However, unreliable output at Kariba and Hwange, costly imports, an ageing grid, distribution losses, and currency mismatches continue to raise operating costs and constrain maintenance.

4.5. Manufacturing Sector

Manufacturing remained robust, contributing 16.2% of GDP in Q2 2026. Capacity utilisation rose to 61.2% from 57% in Q1 and 47.7% in 2025, supported by capital equipment imports and positive sentiment among 63% of manufacturers. However, growth remains uneven and constrained by foreign exchange shortages, unreliable power, and costly local financing.

4.6. Property Sector

The property sector is defined by cash-driven resilience, severe structural funding gaps, and a sharp divergence between high CBD commercial vacancies (around 60%) and thriving residential demand. Supported by diaspora remittances and a dominant cash-based market where buildings serve as a crucial inflation hedge, average residential sale prices have risen by roughly 14.3%. Meanwhile, demand remains concentrated in properties equipped with solar systems, boreholes and Wi-Fi to combat utility gaps, alongside continued affordable expansion in high-density. However, broad market growth remains constrained by the absence of long-term mortgages and regulatory pressures, such as SI 131 of 2026 on rent regulation updates, strict ZIMRA capital gains audits on upmarket estates, and a crucial Voluntary Disclosure Programme compliance window that closed on September 30, 2026.

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5. Regional Economies

5.1. Sub-Saharan Africa Economic Outlook

Sub-Saharan Africa's economic growth is projected to hold steady at 4.5% in 2026 and 2027, yet this resilience masks severe regional divergence, accelerating inflation, and narrowing fiscal buffers. Growth remains uneven, with non-resource-intensive economies leading at 6.0% followed by oil exporters at 4.1% and other resource rich countries at 3.7%. Compounding these growth disparities, median inflation is climbing toward 4.3% to 5.5%, driven heavily by global supply shocks, rising fertilizer costs, and Middle East geopolitical tensions. Concurrently, public debt has stabilized near 57% of GDP, but interest payments consume roughly 12% of government revenues, leaving countries highly vulnerable as official bilateral aid drops by 12% and looming El Niño weather risks threaten regional agriculture and food security. Below is a tabulated summary of growth projections by different authorities.

Sub-Saharan Africa Economic Growth Forecasts (%)			
Year	2025	2026	2027
IMF (Oct 2026)	4.5	4.5	4.5
World Bank (Oct 2026)	4.1	4.3	4.4

Strategic insights and takeaways:

- Sub-Saharan economies remain constrained by a lack of economic diversification, heavy dependence on commodity exports, and insufficient shock-absorbing buffers. Overcoming these challenges must be central to policy if sustainable growth is to be achieved.

5.2. Botswana

5.2.1. Botswana Economic Outlook

Botswana is showing signs of economic rebound, driven by higher diamond production, central bank revenue boosts, and fiscal consolidation which is expected to reduce budget deficit from the previously estimated 8.9% of GDP to 3.1%. Concurrently, the government is accelerating economic diversification efforts, taking its investment case directly to international markets through a "Botswana Day" outreach event at the London Stock Exchange Group. Nevertheless, structural vulnerabilities and soft global commodity demand persist dampening the country's growth potential. Against this backdrop, different authorities continue projecting lacklustre economic growth performance by historic standards as show by the following table.

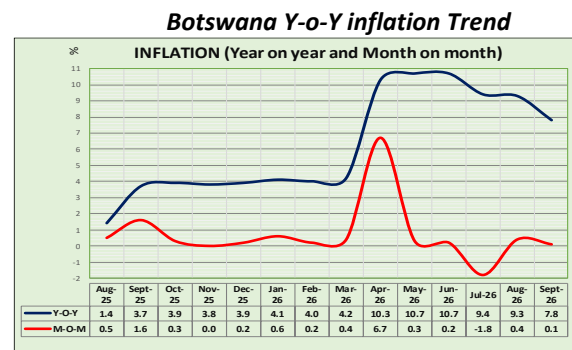
Botswana Economic Growth Forecasts (%)			
Year	2025	2026	2027
World Bank (Oct 2026)	-0.7	3.4	2.5
IMF (Oct 2026)	-0.7	4.4	2.2

Strategic insights and takeaways:

- The pace of economic diversification and recovery remains too slow to address challenges in the economy. More efforts remain vital for the economy to attain complete restoration.

5.2.2. Inflation Rate

Botswana's annual inflation rate eased for the third consecutive month, reaching 7.8% in September 2026. The slowdown was mainly driven by softer price increases in transportation; food and non-alcoholic beverages; alcoholic beverages and tobacco; miscellaneous goods and services; clothing and footwear; and furnishings and household equipment. By contrast, prices continued to rise sharply for housing and utilities, while recreation and culture saw faster price growth. Month over month, the CPI edged up 0.1%, following a 0.4% increase in the previous month. On a monthly basis, consumer prices fell by 1.8%, reversing the 0.2% increase recorded in the prior month.

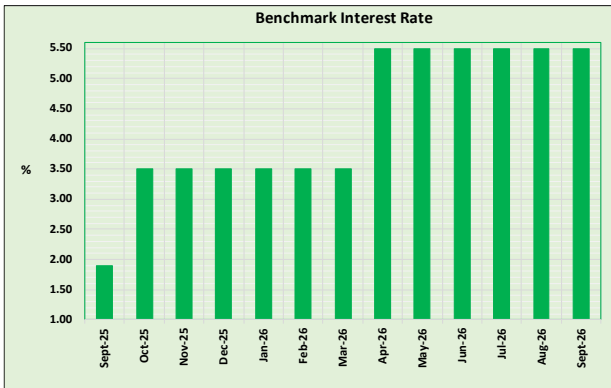


Source: Central Statistics Office, Botswana – September 2026

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5.2.3. Botswana Interest Rates

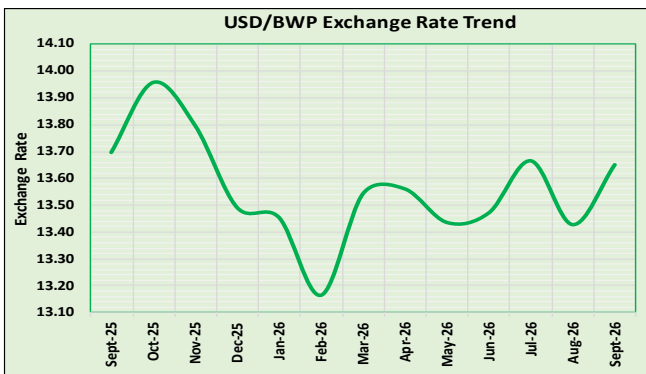
The Central Bank of Botswana kept the benchmark interest rate steady at 5.5% to anchor inflation expectations.



Source: Central Statistics Office, Botswana – September 2026

5.2.4. Botswana Exchange Rates

The Botswana Pula continues to be steady, trading between 13.00 and 14.00 per U.S. dollar for more than a year. During the month under review, the Pula depreciated slightly against the dollar, falling by 1.63% to BWP13.65 from BWP13.43 recorded at the end of August 2026. The chart below provides a clear illustration of the USD/BWP exchange rate trend over the past twelve months.



Source: Bank of Botswana – September 2026

Strategic insights and takeaways:

- The Pula remains relatively firm, despite ongoing economic turmoil in the country. This underscores the currency's resilience against shocks, making it a dependable investment choice.

5.2.5. Botswana Economic Sectors

i. Mining Sector

The sector continues to navigate through macroeconomic headwinds and pivotal structural shifts due to a prolonged global diamond downturn and stiff competition from lab-

grown alternatives. Meanwhile, the government is intensifying negotiations to increase its direct equity stake in De Beers to 25%, while accelerating diversification into base metals through Kemcore's newly approved mining chemicals plant and Botswana Minerals PLC's AI-driven copper and silver exploration. Concurrently, the industry has been preparing for the strict October 1, 2026, enforcement of the Mines and Minerals Amendment Act, which mandates dedicated environmental rehabilitation funds and enhanced local procurement pipelines to turn mining expenditure into sustainable local manufacturing.

Strategic insights and takeaways:

- Mining diversification has become a primary priority in Botswana, poised to unlock new and viable investment and financing opportunities. All else being equal, this strategic shift is expected to attract both local and foreign investors, catalysing broader economic recovery.

ii. Agriculture Sector

Botswana's agricultural sector faced a stark contrast between progressive structural reforms and immediate liquidity crises. The Ministry of Lands and Agriculture officially transitioned national funding away from individual subsidies toward bankable, value-chain integrated financing, while local grain farmers issued urgent warnings over a critical P100 million liquidity shortfall caused by delayed payments from the Botswana Agricultural Marketing Board. Meanwhile, the sector remains fixed at approximately 2% of national GDP, driving aggressive state initiatives to scale its contribution to 6% and offset a P14.7 billion food import bills through new bilateral alliances with partners like Oman. Compounding these economic dynamics, farming groups and policymakers are intensifying climate-smart infrastructure planning as regional meteorological assessments warn of an incoming super El Niño threat to water security.

iii. Reinsurance

Botswana reinsurance sector has been spotlighted by Continental Reinsurance Holdings' extension of its historic BWP 2.13 billion (US\$156.1 million) public offer to October 9, 2026, marking the first-ever reinsurer IPO on the Botswana Stock Exchange to anchor the country as a regional financial hub. More broadly, local and regional reinsurers face a complex operating environment characterized by soft pricing cycles and aggressive cross-border capacity expansion, which is testing premium earnings conversion amid ongoing national efforts under NDP 12 to maximize domestic capital retention.

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5.3. South Africa

South Africa's economy is facing stagflation, prompting the Reserve Bank to raise interest rates to curb high inflation despite weak growth. Rising global oil prices are increasing domestic fuel costs, while subdued demand and high operating expenses are constraining business activity. Severe unemployment is further weakening consumer spending, and declining precious metal prices are undermining the mining sector and widening the trade deficit.

South Africa Economic Growth Forecasts (%)			
Year	2025	2026	2027
IMF (Oct 2026)	1.1	1.0	1.3
World Bank (Oct 2026)	1.1	1.0	1.5

latest available data depict that inflation in South Africa rose marginally in August 2026, with the annual rate ticking up to 4.4% from 4.3% in July 2026. Transportation remained the principal upward force, although its pace eased modestly to 8.8% year-on-year from 8.9%. Housing and utilities inflation stayed persistently high, unchanged from the prior month, and food inflation gathered pace, climbing to 1.1% from 0.9%. Month over month, consumer prices were flat, a slowdown from the 0.2% increase recorded in July.

South Africa Year-on-Year Inflation Rate Trend



Source: Statistics South Africa – September 2026

5.4. Zambia

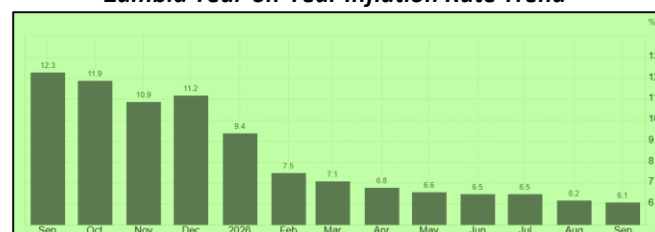
Zambia's economy is experiencing a period of growth stabilisation, balanced against underlying fiscal pressures. The economic momentum is largely anchored by a strong recovery in the agricultural sector, alongside steady activity in the copper mining industry, which remains the nation's primary economic engine. Meanwhile, the domestic market is facing tighter liquidity due to weaker-than-expected internal tax revenues which has prompted the government to secure a new long-term financial agreement with the International Monetary Fund (\$1.47 billion Extended Credit Facility (ECF)), aimed at safeguarding public spending, managing structural debts, and reinforcing foreign exchange reserves to protect the currency. Moving forward, the primary domestic challenge centres on navigating the

upcoming lean season, where ensuring local food distribution and managing the cost of living for vulnerable populations remain critical priorities despite the broader macroeconomic stabilization.

Zambia Economic Growth Forecasts (%)			
Year	2025	2026	2027
IMF (Oct 2026)	3.8	5.6	4.9
World Bank (Oct 2026)	3.8	5.6	4.9

Zambia's annual inflation rate edged down to 6.1% in September 2026, the weakest pace since February 2018, from 6.2% in August. Food inflation moderated to 5.8% while non-food inflation was unchanged at 6.6%. The decline has been supported by a resilient kwacha and stopgap tax measures, although the fuel-tax suspension and zero-rated VAT were set to expire on September 30, 2026. On a monthly basis, consumer prices rose 0.4%, accelerating from 0.2% in August 2026. The following graph illustrates the country's inflation trend.

Zambia Year-on-Year Inflation Rate Trend



Source: Central Statistics of Zambia – September 2026

5.5. Malawi

Malawi's economy remains under severe macroeconomic strain, marked by subdued growth and elevated inflation. To address persistent fiscal deficits and foreign exchange shortages, the government entered crucial Extended Credit Facility negotiations with an IMF mission to support the National Economic Recovery Plan. Domestically, monetary conditions have tightened further as the Reserve Bank of Malawi raised MK373.55 billion through Treasury Bill and 2-year Treasury Note auctions. These pressures are compounded by shrinking foreign aid, looming cuts to social protection programs, and severe climate vulnerabilities facing the agricultural sector. The table below shows the latest growth projections:

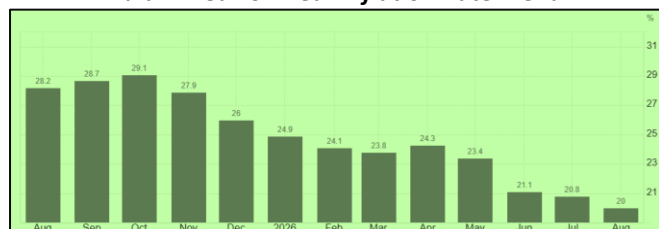
Malawi Economic Growth Forecasts (%)			
Year	2025	2026	2027
IMF (Oct 2026)	2.5	2.6	2.3
World Bank (Oct 2026)	2.5	2.7	2.8

Meanwhile, the latest available data depict Malawi's annual inflation rate slowed to 20.0% in August 2026 from 20.8% a

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month earlier. Food inflation, still the primary driver of price growth, eased to 13.4% from 14.3% in July 2026, while non-food inflation also moderated, dipping to 31.8% from 32.2%. On a monthly basis, consumer prices rose 2.0% for a second straight month — the sharpest increase in six months.

Malawi Year-on-Year Inflation Rate Trend



Source: National Statistical Office of Malawi – September 2026

6. Global Economy

6.1. Global Economic Outlook

Global growth remained resilient, prompting the IMF and Fitch Ratings to raise their 2026 forecasts by 0.1 and 0.2 percentage points to 3.1% and 2.6%, respectively. Growth was supported by private-sector AI investment, steady demand in the United States and emerging markets, and stabilising European activity. However, energy disruptions and elevated Brent crude prices sustained inflationary pressures, with the IMF projecting global inflation at 4.7% in 2026. The table below compares global growth forecasts from different authorities:

Global Economic Growth Forecasts (%)			
Year	2025	2026	2027
IMF (Oct 2026)	3.5	3.1	3.4
World Bank (Jun 2026)	2.9	2.5	2.8

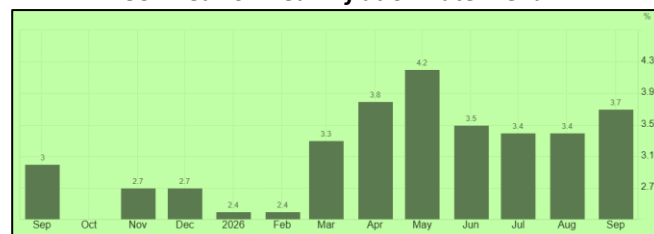
6.2. United States of America

The U.S. economy remains resilient, supported by consumer spending and strong investment in artificial intelligence infrastructure. However, job creation slowed to 29,000 and unemployment rose to 4.2%, signalling greater caution among employers. Combined with a federal budget deficit nearing US\$2 trillion, the weaker labour market points to an uneven outlook for the final quarter.

USA Economic Growth Forecasts (%)			
Year	2025	2026	2027
IMF (Oct 2026)	2.3	2.3	2.3
World Bank (Jun 2026)	2.1	2.2	2.1

The U.S. annual inflation rate climbed to 3.7% in September 2026, up from 3.4% in both prior two months, fuelled by rising energy costs. Shelter inflation also picked up, while food price growth eased. On a monthly basis, the CPI rose 0.6, following a 0.4% gain in August 2026 and. The following graph illustrates the country's inflation trend.

USA Year-on-Year Inflation Rate Trend



Source: Federal Reserve – September 2026

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6.3. China

China's economy continues to show a stark divergence as booming external trade masks weak domestic demand. Driven by global AI infrastructure needs, exports surged 36.3% year-on-year to US\$447.18 billion, yielding a record US\$133.53 billion trade surplus. Domestically, manufacturing PMI stabilized in expansion territory at 50.1, and new yuan loans rebounded following targeted policy support. However, with full-year GDP growth projected at 4.5%, the bottom of Beijing's target, the State Council deployed late-September stimulus, including a 25-basis-point cut to the pledged supplementary lending rate, to combat property headwinds and a heavily lopsided recovery.

China Economic Growth Forecasts (%)			
Year	2025	2026	2027
World Bank (Oct 2026)	5.0	4.5	4.3
IMF (Oct 2026)	5.0	4.5	4.0

Meanwhile, China's annual inflation rate ticked up to 0.9% in September 2026 from 0.8% in August. Non-food inflation gathered pace, led by steeper increases in transport, clothing, healthcare, and education costs. Food prices, meanwhile, fell for a sixth consecutive month, at their fastest pace in four months (-1.7% vs -1.4%). On a monthly basis, consumer prices rose 0.2%, missing forecasts of 0.3% and easing from August's six-month high of 0.4%. The graph that follows illustrates the country's inflation trend.

China Year-on-Year Inflation Rate Trend



Source: National Bureau of Statistics of China – September 2026

6.4. Germany

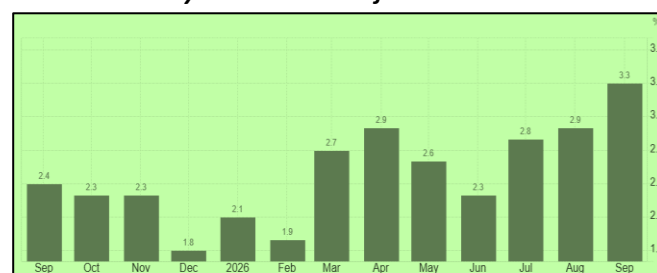
German's economy is experiencing a sharp dichotomy as revised GDP growth forecasts were upgraded 1.3% (IMF) for the year and the Ifo Business Climate Index rose to 89.9, signalling an uptick in business optimism despite structural headwinds. However, this positive momentum collided with intensified inflationary pressures due to renewed energy market shocks and logistics constraints on low-water inland waterways. While government spending and resilient export demand cushioned near-term growth, accelerating inflation could squeeze household purchasing power and dampen

economic momentum heading into the following year. The following table shows Germany's economic growth forecasts as projected by different authorities.

Germany Economic Growth Forecasts (%)			
Year	2025	2026	2027
IMF (Oct 2026)	0.2	1.3	1.1
OECD (Jun 2026)	0.3	0.7	1.1

Germany's inflation rate went up to 3.3% in September 2026, from 2.9% in August 2026. The main reason was a new surge in energy prices, caused by stalled US-Iran talks and higher crude oil prices. Food inflation also rose, from 0.1% to 0.4%, while services inflation fell slightly, from 2.8% to 2.7%. Month over month, consumer prices increased 0.6% in September, faster than the 0.2% increase in August 2026.

Germany Year-on-Year Inflation Rate Trend



Source: Federal Statistics Office – september 2026

6.5. United Kingdom

The United Kingdom economy is showing signs of slowing momentum, with annual GDP growth projected around 1.3% amid rising energy prices and a tightening squeeze on household purchasing power. Driven by escalating wholesale gas and oil prices from Middle East geopolitical tensions, CPI inflation pressure is mounting, prompting the Bank of England to maintain its Bank Rate at 3.75%. Combined with rising material costs in sectors like construction, the restrictive policy stance has weighed on broader investment as businesses and markets cautiously await the Autumn Budget, where an estimated £12 billion in fiscal headroom has fuelled widespread speculation over tax changes.

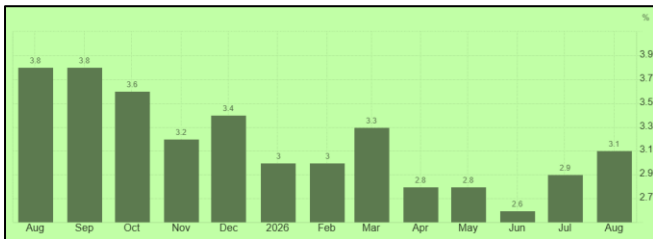
UK Economic Growth Forecasts (%)			
Year	2025	2026	2027
IMF (Oct 2026)	1.2	1.3	1.2
OECD (Jun 2026)	1.4	0.9	1.1

Meanwhile, latest available reports show that, the UK's annual inflation rate climbed to 3.1% in August 2026,

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compared with 2.9% in July 2026. The biggest upward push on the annual rate came from transport costs, where inflation increased to 4.6% from 3.6% the previous month. Inflation also picked up in housing and household services, communication, and recreation and culture. At the same time, food inflation held steady at 1.3%. Month on month, consumer prices increased by 0.5%, a faster pace than the 0.3% recorded in July 2026.

UK Year-on-Year Inflation Rate Trend



Source: Office for National Statistics – September 2026

6.6. United Arab Emirates

While projections point to economic contraction in 2026 owing to political and energy market disruptions in the region, the United Arab Emirates economy is expected to rebound in 2027 driven by robust global competitiveness, highlighted by its 1st position in the IMD World Competitiveness Ranking. The nation's non-oil momentum remains exceptionally strong, accounting for 79.2% of H1 2026 real GDP (\$262 billion). This economic vitality was further demonstrated by a 13.1% year-on-year surge in non-oil foreign trade to \$527 billion, a massive €40 billion investment package pledged to Germany's AI sector, and targeted localized economic cushions, including AED2.5 billion relief package for vulnerable tourism and aviation sectors.

UAE Growth Forecasts (%)

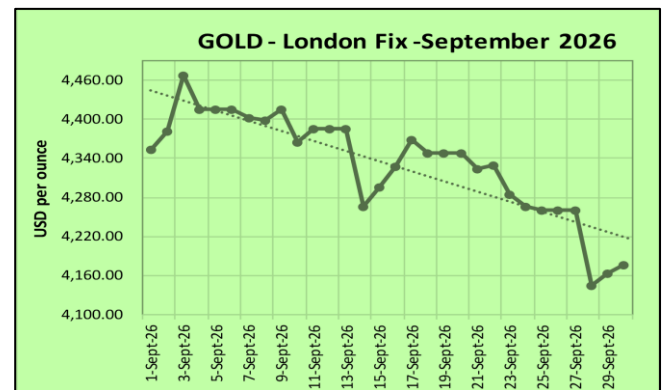
Year	2025	2026	2027
IMF (Oct 2026)	6.2	-3.9	7.7
World Bank (Jun 2026)	6.2	2.4	4.1

7. Commodities Markets

Commodity	August 2026	September 2026	Percentage Change
	Average Price (US\$)	Average Price (US\$)	
Gold (oz)	4,405.03	4,332.18	▼ 1.7%
Platinum (oz)	1,781.64	1,787.13	▲ 0.3%
Silver (oz)	65.36	64.80	▼ 0.9%
Oil (barrel)	88.17	101.90	▲ 15.6%

7.1. Gold

Gold prices trended downwards in September 2026, a reversal from the prior month's relatively bullish prices. On a monthly average basis, prices decreased by 1.7%, from US\$4,405.03/oz in August 2026 to US\$4,332.18/oz. This trend was largely driven by Fed rate hikes, surging treasury yields, and rising crude oil costs.



Source: LBMA – September 2026

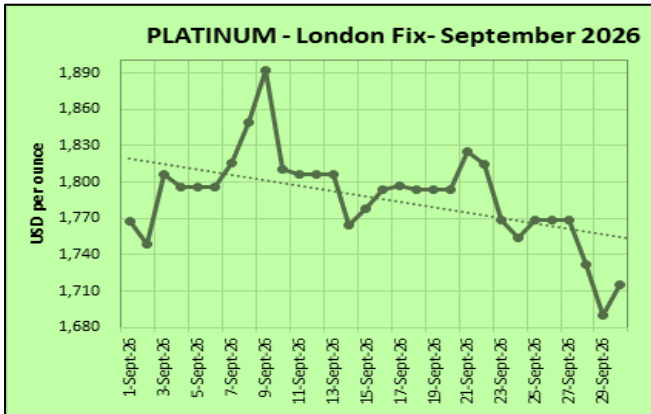
Strategic insights and takeaways

- While gold prices have eased slightly, their historically high levels continue to underpin economic stability, serving as the dominant revenue and forex driver for dependent economies like Zimbabwe. Consequently, the country must aggressively capitalize on these elevated fiscal returns while this market window remains open. Reinvesting current windfalls into broader structural reforms will be critical to immunizing the macroeconomy against future commodity price pullbacks.

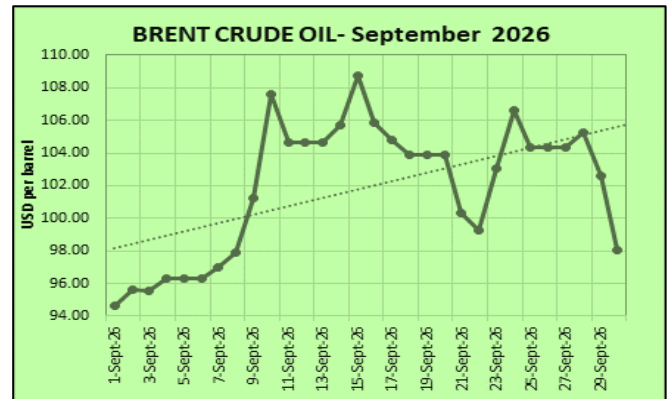
7.2. Platinum

Platinum prices rose for a second straight month, climbing 0.3% on a monthly average basis from US\$1,781.64/oz in August 2026 to US\$1,787.13/oz in September 2026. The increase was driven mainly by supply constraints in South Africa, the world's largest platinum supplier, and persistent concerns over market tightness.

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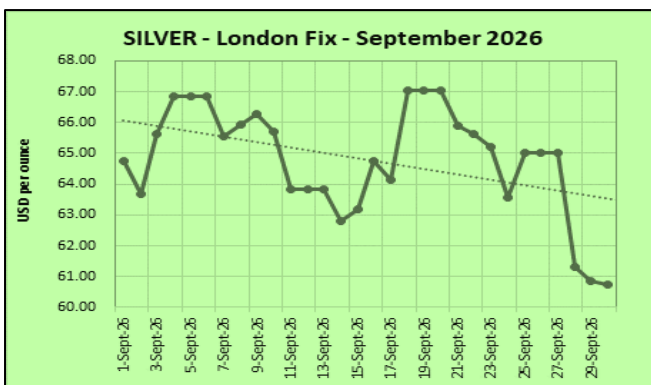
Source: LBMA– September 2026



Source: Oilprice.com – September 2026

7.3. Silver

After rising 11.5% in August 2026, silver prices reversed course in September, slipping 0.9% to a monthly average of US\$64.80/oz from US\$65.36/oz in August 2026. The following graph depicts the daily silver price trend for the month under review.



Source: LBMA– September 2026

Strategic insights and takeaways:

- Renewed disruptions in the energy market severely impact Zimbabwe by triggering immediate imported inflation, driving up domestic production and transport costs, and drastically draining the country's scarce foreign exchange reserves to fund an inflated national fuel bill.
- This external shock puts immense pressure on the local currency's stability, necessitates urgent fiscal interventions like increasing domestic ethanol blending ratios, and forces a strategic pivot toward local renewable energy alternatives to safeguard national supply chain resilience amid ongoing Middle Eastern geopolitical disruptions.

7.4. Crude Oil

On a monthly average basis, oil price increased by 15.6%, representing an acceleration from the 5.3% increase observed in August 2026, as the average rose from US\$88.17 to US\$101.90 per barrel. This has largely been driven by an escalation in the US-Israeli war on Iran and subsequent severe disruptions to Middle Eastern energy infrastructure and shipping. The following graph depicts the daily crude oil price trend for the month under review.

END

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