FBC Holdings Limited

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April 2026

Economic Snapshot

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April 2026: Zimbabwe Economic Research Update

This economic report reviews Zimbabwe's macroeconomic conditions, policy developments, capital market trends, and sector performance as of April 2026. It highlights the key drivers shaping the outlook for the remainder of 2026, with a focus on inflation, exchange rate stability, external trade, and investor implications.

Key Takeaways

- *Macroeconomic conditions remain stable, supported by tighter fiscal and monetary discipline.*
- *Inflation has reaccelerated in April 2026, largely due to fuel and food costs, with additional pass-through risks into the next quarter.*
- *The IMF Staff-Monitored Program improves policy credibility and strengthens Zimbabwe's re-engagement prospects.*
- *Capital market liquidity is shifting toward the VFEX, reflecting stronger demand for USD-denominated and export-linked assets.*
- *External shocks, especially energy prices and shipping disruptions, remain the main downside risks to the 2026 outlook.*

Executive Summary

Zimbabwe entered the second quarter of 2026 in a stronger macroeconomic position than at any point in the past three decades. Inflation remains in single digits, the ZiG has retained relative exchange rate stability, fiscal discipline has been maintained, and foreign currency inflows strengthened materially during the first quarter of the year. The approval of a ten-month IMF Staff-Monitored Program (SMP) in April represents a significant milestone in Zimbabwe's international re-engagement process and provides an external policy anchor that materially enhances economic credibility.

The economy is however entering a more uncertain external environment. The escalation of conflict in the Middle East has generated renewed volatility in global energy markets, disrupted shipping routes, increased freight and insurance costs, and introduced fresh inflationary pressures across emerging markets. For Zimbabwe, a net fuel importer with high dependence on imported agricultural inputs, these shocks are particularly consequential.

Annual ZiG inflation increased from 3.8% in February to 4.8% in April, driven primarily by fuel and food costs. The rise is not yet considered the peak of the current inflation cycle, as second-round transmission effects from transport, logistics, and input costs are expected to continue feeding through into May and June data.

Despite these pressures, the macroeconomic framework remains substantially more disciplined than in previous periods of instability. Reserve money growth has remained tightly contained, central bank financing of fiscal deficits has effectively been eliminated, and foreign exchange reserves have strengthened significantly through gold-backed accumulation.

A notable structural shift is also unfolding within domestic capital markets. During April 2026, the Victoria Falls Stock Exchange (VFEX) consolidated its position as Zimbabwe's primary institutional exchange, overtaking the 132-year-old Zimbabwe Stock Exchange (ZSE) in effective liquidity and investor relevance. Institutional capital continues migrating toward USD-denominated assets, export-oriented businesses, and hard-currency earnings streams.

At the sectoral level:

- Gold production remains resilient despite temporary policy disruptions.
- Tobacco volumes have expanded strongly, although prices weakened.
- Tourism recorded a robust start to 2026 before geopolitical disruptions materially affected March arrivals.
- Fuel costs remain elevated despite modest April relief measures.

The overarching policy narrative remains one of guarded optimism. Zimbabwe now has its strongest macroeconomic foundations in a generation, yet those foundations are being tested by one of the most fragile global environments since the pandemic era. The remainder of 2026 will therefore be defined by the interplay between disciplined domestic policymaking and deteriorating external conditions.

1. Global Economic Context

A Fragile Ceasefire and Structural Energy Pressures

The global economy entered 2026 with slowing momentum even before the escalation of geopolitical tensions in the Middle East. According to the IMF World Economic Outlook (April 2026), global GDP growth is projected to moderate to 3.1% in 2026 from an average of 3.4% during 2024–2025.

The deceleration reflects the combined effects of tight financial conditions in advanced economies, persistent trade fragmentation, and the continued geopolitical fallout from the Middle East conflict, which has disrupted energy markets and heightened uncertainty across global supply chains.

Table: Global GDP Growth Outlook

Region / Economy	2025 (Est.)	2026 (Proj.)	2027 (Proj.)
World	3.4%	3.1%	3.2%
Advanced Economies	1.9%	1.8%	1.7%
United States	2.1%	2.3%	2.1%
Euro Area	1.4%	1.1%	1.2%
China	5.0%	4.4%	4.0%
Sub-Saharan Africa	4.5%	4.3%	4.4%

Source:IMFWorldEconomic Outlook, April 2026

The IMF estimates that a prolonged disruption in Middle Eastern shipping and energy markets could reduce global growth by approximately 0.8 percentage points in 2026. Under a severe escalation scenario, the impact could reach 1.3 percentage points.

The Strait of Hormuz remains the central geopolitical flashpoint. Although commercial shipping through the corridor has partially resumed, volumes remain below historical norms. Freight insurance premiums remain elevated, shipping schedules continue to face disruption, and container operators have adopted cautious deployment strategies.

For emerging markets, the consequences have been immediate and severe. Higher fuel import bills have widened fiscal and current account deficits, imported food inflation has accelerated, external financing conditions have tightened, and investor appetite for frontier and emerging market assets has weakened considerably.

Zimbabwe's vulnerability to these dynamics is particularly pronounced: net oil and gas imports remain unsustainably elevated, while the agricultural sector continues to rely heavily on imported fertiliser and chemical inputs. Consequently, global energy price movements feed rapidly into:

- Transport costs.
- Agricultural production costs.
- Industrial operating expenses.
- Consumer inflation.
- Current account dynamics.

The longer supply chain disruptions persist, the greater the risk that elevated energy prices become structurally embedded rather than transitory.

2. Domestic Economic Review

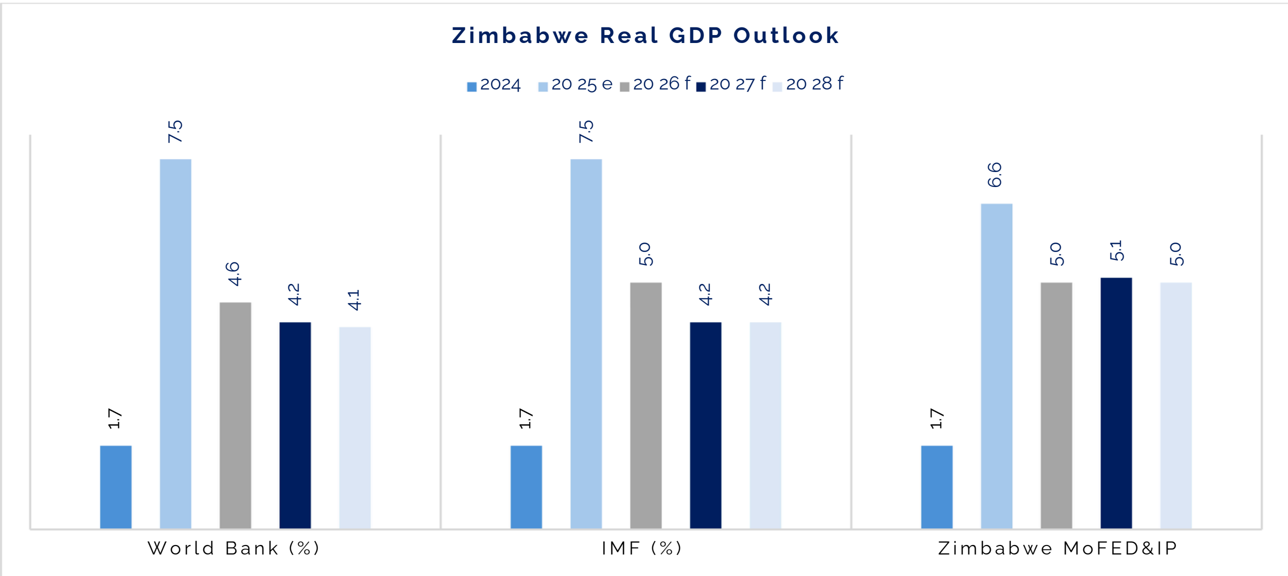
2.1 Real GDP Growth and Employment

Zimbabwe recorded estimated real GDPgrowth of 7.5% in 2025, supported by:

- A strong agricultural rebound following favourable rainfall
- patterns. Sustained expansion in gold production.
- Continued mining investment.
- Relative exchange rate stability.
- Improved fiscal discipline.

The Ministry of Finance projects growth to moderate toward approximately 5% (World Bank 5%, IMF 4.6%) in 2026, a moderation that reflects both the normalization that follows the exceptionally strong rebound of 2025 and the growing weight of external and structural constraints. Higher fuel and fertiliser costs, persistent electricity shortages, logistics bottlenecks, and the continuation of a tight monetary stance are all expected to weigh on economic momentum during the year.

Nevertheless, a projected 5% growth rate would still place Zimbabwe among the faster-growing economies in Sub-Saharan Africa.



Source: IMF, World Bank, FBC Holdings Research

Labour Market and Formalisation Reforms

April 2026 marked an important policy monthfor labour market reform. Cabinet approved:

- The National Employment Policy (2026–2030).
- The National Formalisation Strategy.

The National Employment Policy seeks to reduce youth unemployment, strengthen technical and vocational skills, align educational outcomes with labour market requirements, and promote broader participation in the formal economy.

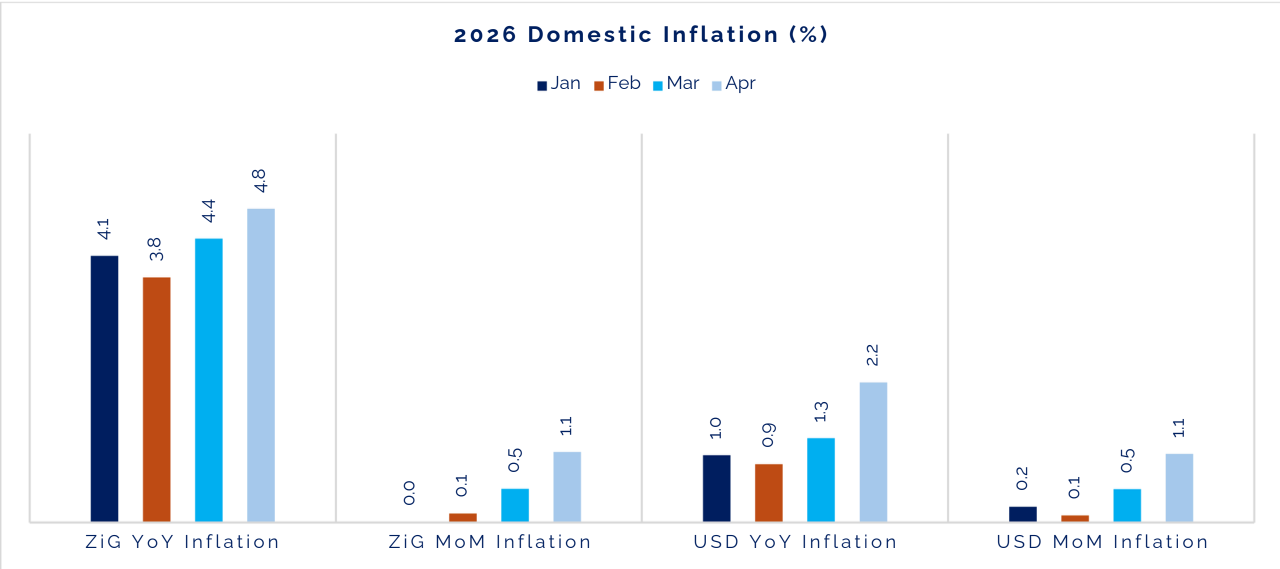
The National Formalisation Strategy addresses one of Zimbabwe's most structurally important economic characteristics, which is informality. According to Zim Stats, approximately 76% of economic activity remains informal. This dominance of informality has historically weakened tax collection efficiency, reduced the effectiveness of monetary policy transmission, constrained labour protections, limited financial sector deepening, and slowed long-term productivity growth.

The strategy seeks to simplify business registration, improve SME financing access, and integrate informal workers into formal banking and social protection systems. This is central to macroeconomic stabilization because it broadens the tax base, improves visibility of economic activity, and enhances the effectiveness of monetary policy transmission through the banking sector.

2.2 Inflation Dynamics

The April 2026 Inflation Reacceleration

Zimbabwe's inflation environment remainssubstantially improved relative to historical standards, but April data confirmed renewed price pressures.



Source: RBZ, FBC Holdings Research

Month-on-month inflation accelerated to 1.1% in April, the highest monthly reading since July 2025. USD inflation also strengthened materially, increasing from 0.9% in February to 2.2% in April, indicating that inflationary pressures are broad-based rather than currency-specific.

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Primary Drivers of Inflation

The inflation uptick was drivenprimarily by higher transport and food costs as successive fuel price increases filtered through the economy.Rising freight charges, commuter fares, household energy expenses, and supply chain costs all contributed tobroader price pressures during the month.

Three fuel increases implemented between early March and early April materially affected domestic pricing structures.

By April:

- Petrol reached approximately US$2.23 per litre.
- Diesel rose to approximately US$2.11 per litre.
- LPG prices climbed to approximately US$1.85 per kilogramme.

The RBZ has already signalled that inflation is expected to rise further into June 2026 before moderating.

This sequencing is important: the April CPI primarily captured first-round fuel effects. However, second-round transmission effects; including freight cost pass-through, food distribution costs, agricultural input adjustments, and industrial pricing revisions, typically emerge with a lag. As a result, inflationary pressure may intensify further during May and June.

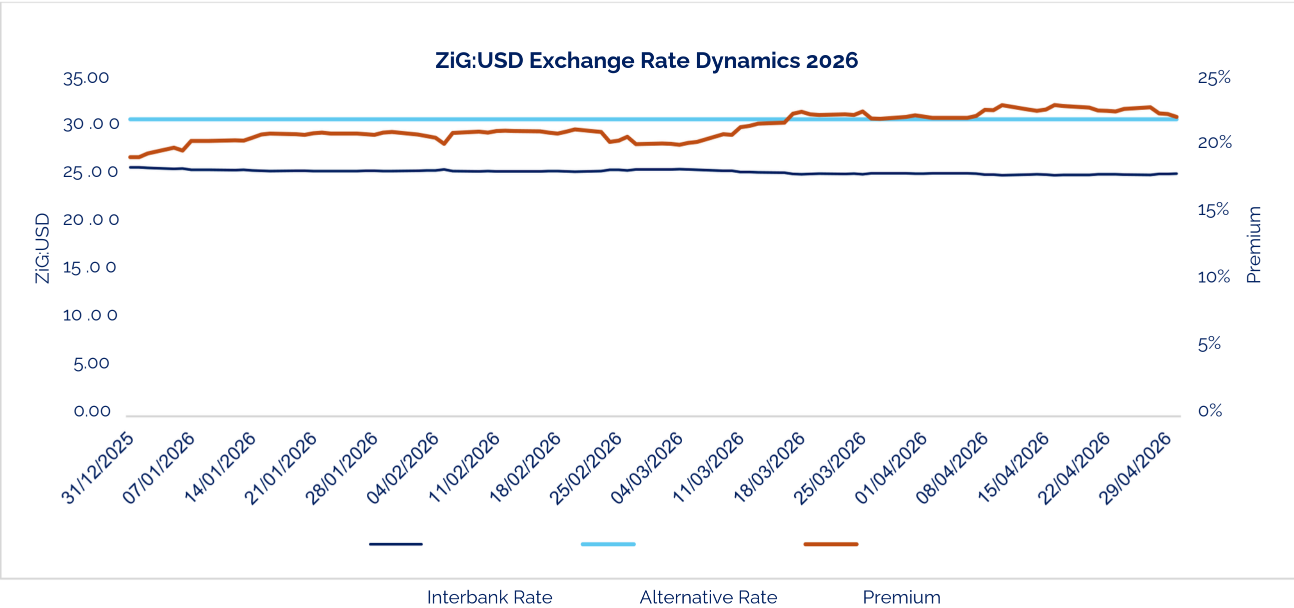
Nevertheless, the broader macroeconomic context remains fundamentally different from prior inflationary episodes in Zimbabwe. Reserve money growth continues to be tightly controlled, fiscal discipline has largely been maintained, foreign reserve buffers have strengthened, and exchange rate conditions remain comparatively stable relative to previous inflationary episodes.

The inflation challenge currently appears cyclical and externally driven rather than structurally monetary in nature.

2.3 Exchange Rate Stability

One of the most important macroeconomic achievements since late 2024 has been the relative stability of the ZiG. Following the September 2024 devaluation to approximately ZiG24.5 per US dollar, the interbank exchange rate has remained within a relatively narrow ZiG25-27 range through April 2026.

This stability contrasts sharply with the volatility experienced during the Zimbabwe dollar era. The parallel market premium, previously exceeding 50%, has remained contained within approximately 19-23% since early 2025 and stood near 22% in April 2026.



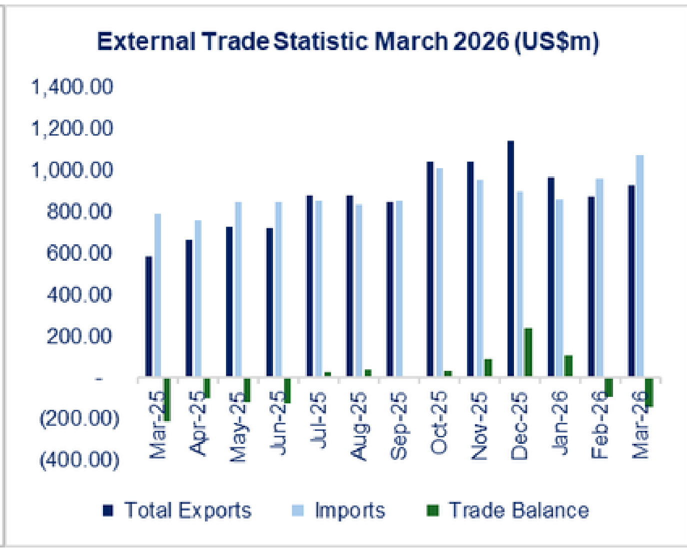
Source: Zimbabwe Statistics Agency, FBC Holdings Research

Although external shocks continue to pressurethe exchange rate environment, current policy credibility remains substantially stronger than in previousstabilization attempts.

2.4 External Trade and the Current Account

Zimbabwe recorded exceptionally strong foreigncurrency inflows during the first quarter of 2026. Total foreign currency receipts increased by 54.1% year-on-year to approximately US$4.97 billion during the three months to March 2026. This compares favourably with approximately US$3.22 billion during the same period in 2025.

The improvement translated into meaningful trade and current account strengthening.



Source: Zimbabwe Statistics Agency, FBC Holdings Research

Strong export performance was supported by higher tobacco shipments, firm gold prices, sustained platinum exports and rising lithium demand. Gold deliveries increased 8.3% year-on-year during the first quarter, reinforcing mining's central role in Zimbabwe's external account stability.

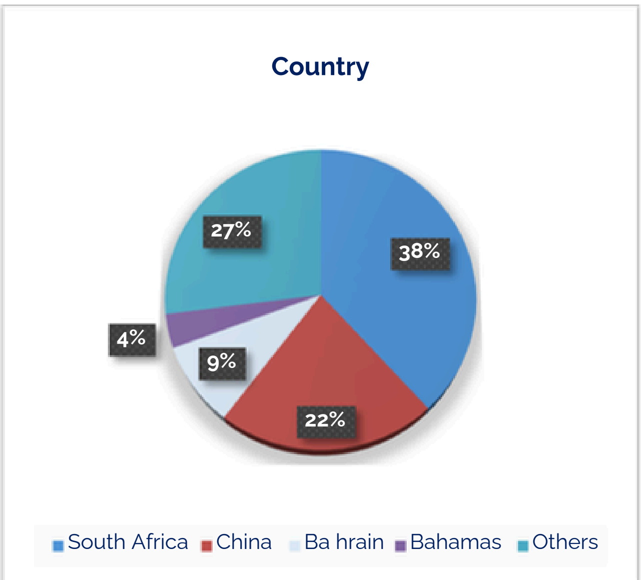
Emerging Pressure in March Trade Data

Despite historically high export earnings,Zimbabwe recorded trade deficits of US$89.7m in February and US$142.8m in March 2026. The deficits were not caused by falling exports, which remained strong, but by a sharp acceleration in imports of capital goods, fuel, and agricultural inputs.

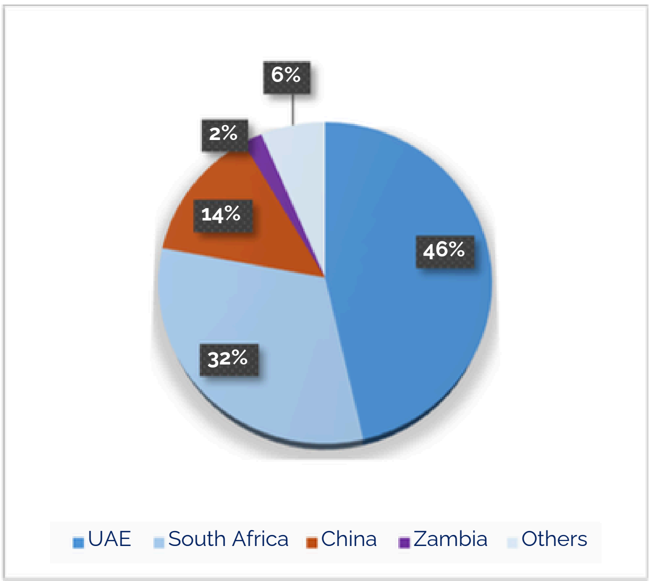
Export performance in the same period remained robust but could not keep pace with import growth. Gold exports softened slightly from US$492.9m in January to US$461.4m in February and US$427.1m in March, due to lower international prices. Tobacco exports also declined from US$235m in January to US$133.6m in March, as the main season starts in March. Nickel mattes saw no shipments in February but a large US$203.7m shipment in March, which helped lift total export.

Nevertheless, total imports grew by 11.6% month on month in March, while exports grew by only 6.7%. The widening deficit therefore reflects a structural investment led surge in imports; machinery, electrical equipment and vehicles, that is essential for long term productive capacity, but which temporarily strains the external account. South Africa remained Zimbabwe's largest import source, accounting for 38.2% of imports, followed by China at 22.1%.

March 2026 Share of Imports By



March 2026 Share of Exports By Country



Source: Zimbabwe Statistics Agency, FBC Holdings Research

This widening deficit suggests that external energy shocks are increasingly feeding through into the import bill and current account dynamics.

3. Policy Developments

IMF Staff-Monitored Program (SMP)

On 16 April 2026, IMF managementapproved a ten-month Staff-Monitored Program for Zimbabwe. The significance of this development cannot be overstated, as it represents a strong international policy endorsement for the country, and a major signal to multilateral lenders and international investors.

Although the program contains no direct financing component, its strategic importance lies in credibility and signalling effects. The SMP focuses on:

- Maintaining low inflation.
- Preserving exchange rate stability.
- Improving foreign exchange market
- functioning. Strengthening governance
- frameworks. Deepening fiscal discipline.

Successful implementation could materially improve Zimbabwe's access to development assistance, bilateral financing, international capital flows and future IMF arrangements. For private investors, the SMP reduces policy uncertainty and strengthens confidence in macroeconomic continuity. However, the sustainability of the program will ultimately depend on whether domestic discipline can withstand prolonged external shocks.

4. Capital Markets

A Structural Reordering of Zimbabwe's Equity Market

April 2026 confirmed a structural transition within Zimbabwe's capital markets. Institutional liquidity, investor preference, and price discovery are increasingly concentrated within the Victoria Falls Stock Exchange rather than the Zimbabwe Stock Exchange. This shift accelerated materially following the delisting of Econet Wireless Zimbabwe from the ZSE and the broader migration toward USD-denominated assets.

Stock Market Performance

ZSE	Mar -26	Apr-26	% Change Monthly	% Change YTD or YoY
Market Cap Monthly	112, 345, 377, 357. 61	83, 459, 570, 136. 31	-25.7%	-4.4%
Cumulative Turnover Value Monthly	3, 141, 807, 680. 16	510, 915, 664. 77	-83.7%	
Cumulative Turnover Value YTD (YoY change)	121, 992, 948, 617. 12	6, 498, 006, 452. 95		-94.7%
ZSE ALSI	358. 5516	365. 17	1.8%	31. 4%
ZSE TOP 10 INDEX	365. 0995	363. 18	-0.5%	28. 9%
Foreign Trades (Buys)	542, 987, 320. 98	93, 540, 483. 55	-82.8%	
Foreign Trades (Sells)	1, 650, 326, 983. 52	152, 618, 683. 72	-90.8%	

VFEX	Mar -26	Apr-26	% Change Monthly	% Change YTD or YoY
Market Cap Monthly	3, 880, 674, 732. 04	3, 488, 041, 272. 46	-10.1%	66. 3%
Cumulative Turnover Value Monthly	15, 166, 117. 16	89, 328, 752. 20	489. 0%	
Cumulative Turnover Value YTD (YoY change)	62, 374, 031. 58	125, 537, 459. 41		101. 3%
VFEX ALSI	358. 5516	365. 17	1.8%	29. 2%
Foreign Trades (Buys)	542, 987, 320. 98	93, 540, 483. 55	-82.8%	
Foreign Trades (Sells)	1, 650, 326, 983. 52	152, 618, 683. 72	-90.8%	

Sources: *Zimbabwe Stock Exchange; Victoria Falls Stock Exchange, FBC Holdings Research*

4.1 Zimbabwe Stock Exchange (ZSE)

The ZSE experienced a severe liquidity contraction during April. Market capitalisation declined by 25.7% month-on-month to ZiG83.5 billion, while turnover collapsed by 83.7%. Year-to-date turnover remained approximately 94.7% lower than comparable 2025 levels. The primary catalyst was the departure of Econet Wireless Zimbabwe, which removed approximately ZiG30.5 billion (US$1.2 billion equivalent) from the exchange.

Foreign participation also weakened materially. Although foreign outflows slowed in absolute terms relative to March, investors remain net sellers and institutional participation has not recovered.

Interestingly, the All Share Index still advanced 1.8% during April, bringing year-to-date gains to approximately 31.4%, although the headline performance masks weakening market breadth. The Top 10 Index underperformed the broader market, suggesting that gains were concentrated in smaller counters rather than institutional accumulation. This divergence raises sustainability concerns regarding ZSE valuation performance.

4.2 Victoria Falls Stock Exchange (VFEX)

The VFEX continues consolidating its roleasZimbabwe's primary institutional exchange. Although market capitalisation declined modestly during ApriltoUS$3.49 billion, year-to-date growth remains exceptionally strong at approximately 66.3%.

The defining feature of April was liquidity acceleration. Monthly turnover surged approximately 489% to US$89.3 million, while year-to-date cumulative turnover exceeded US$125 million; more than double comparable 2025 levels. Several structural advantages continue attracting institutional capital toward the VFEX, with its US dollar denomination offering currency certainty, while its growing concentration of export-oriented companies and increasing market depth improving its attractiveness to both domestic and foreign investors.

5. Sectoral Performance

5.1 Gold Sector

Zimbabwe's goldsector achieved a record 46.7 tonnes in 2025, but Q1 2026 presented a more nuanced picture. Total deliveries rose by 8.3% year-on-year to 9,311 kg, yet declined by 30% relative to the record fourth quarter of 2025.

The monthly data reveal a sharp divergence in performance: large-scale miners increased their March deliveries by 24.6%, while small-scale output collapsed by 30.8% over the same period.

Month	Primary Producers (Kg)	Small Scale Producers (Kg)	Total Monthly (Kg)	Quarterly (Kgs)
Jan-25	903. 17	2, 265. 55	3, 168. 72	
Feb-25	955. 79	1, 640. 31	2, 596. 10	
Mar-25	969. 28	1, 865. 00	2, 834. 28	8, 599. 10
Apr-25	946. 42	2, 926. 11	3, 872. 53	
May -25	990. 07	2, 552. 10	3, 542. 17	
Jun-25	1, 019. 18	3, 312. 61	4, 331. 79	11, 746. 49
Jul-25	1, 074. 53	3, 199. 84	4, 274. 37	
Aug-25	992. 99	3, 249. 93	4, 242. 92	
Sept -25	1, 017. 49	3, 517. 71	4, 535. 20	13, 052. 49
Oct -25	924. 89	3, 230. 06	4, 154. 95	
Nov-25	1, 000. 10	3, 234. 20	4, 234. 30	
Dec -25	1, 060. 03	3, 881. 69	4, 941. 72	13, 330. 97
Jan-26	808. 40	2, 237. 00	3, 045. 40	
Feb-26	887. 00	2, 526. 00	3, 413. 00	
Mar-26	1, 104. 00	1, 749. 00	2, 853. 00	9, 311. 40

Source: Fidelity Gold Refineries, FBC Holdings Research

The primary cause of this divergence was a short-lived policy measure introduced by the Reserve Bank in late February, which required small-scale producers to receive 10% of their proceeds in ZiG rather than full US dollars. Implementation was a bit hasty, and many miners lacked the necessary banking infrastructure to process ZiG payments efficiently. The resulting delays in payment left small-scale operators without adequate working capital for essential inputs such as fuel and explosives. The policy was suspended on 24 March, but the harm to first-quarter deliveries was already evident.

On the international front, gold prices stabilised in April at approximately US$4,600 per ounce following a sharp correction in March. Global analysts remain constructive on the medium-term outlook, citing sustained central bank diversification and structural demand as key support factors.

Looking ahead, the suspension of the retention policy should allow small-scale deliveries to recover. The sector retains its annual target of 50 tonnes for 2026, and underlying fundamentals remain sound. Nevertheless, the episode underscores the risk that well-intentioned policies can produce adverse outcomes when implementation fails to align with operational realities.

5.2 Tobacco Sector

Zimbabwe's 2026 tobacco marketing season has delivered a sharp divergence in volumes and prices. As of 11 May 2026, total mass sold reached 223.2 million kgs, a 31% increase over the 169.9 million kgs sold by the same point in 2025. Total sales value, however, remained virtually flat at US$574.8m, compared with US$575.5m in the prior year.

The volume growth was driven by the contract-based supply, which contributed 208.4 million kgs, or 93% of total mass sold. The auction system itself accounted for only 14.8 million kgs. The average price fell by 24% to US$2.58 per kg, from US$3.39 per kg in 2025. Contract sales averaged US$2.63 per kg, while auction prices averaged just US$1.88 per kg.

The quality picture has also deteriorated. Rejected bales surged by 86% to 113,412 bales, and the rejection rate rose to 4.06% from 2.83% in the prior year. The divergent trends reflect a global tobacco market that is oversupplied, with weaker demand from traditional buyers and stricter quality requirements. For Zimbabwean growers, the volume increase has not translated into higher revenue, and the rising rejection rate signals that quality control will be a critical determinant of returns for the remainder of the season.

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5.3 Tourism Sector

Strong Recovery Interrupted by Geopolitical Shock

Zimbabwe's tourism sector began 2026 strongly beforegeopolitical disruptions materially affected international travel flows.

First-quarter performance remained broadly positive:

- International arrivals increased 11% year-on-year.
- Tourist arrivals reached approximately 384,561.
- Tourism receipts increased 14% to approximately US$251 million.

Arrivals	**2025**	**2026**	**Change**
Overseas	83, 868	97, 456	16%
Africa	263, 687	287, 105	9%
Total	**347, 555**	**384, 561**	11%
Estimated Tourism Receipts (US$m)	**2025**	**2026**	**Change**
International	144. 00	166. 00	15%
Domestic	77. 00	85. 00	10%
Total	**221. 00**	**251. 00**	14%

Source: Zimbabwe Tourism Authority (ZTA), FBC Holdings Research

Domestic tourism also strengthened materially, with estimateddomestic trips increasing from approximately 1.94 million to 2.62 million. This domestic demand resilienceis strategically important because it partially offsets volatility in international arrivals.

Hotel Sector Performance

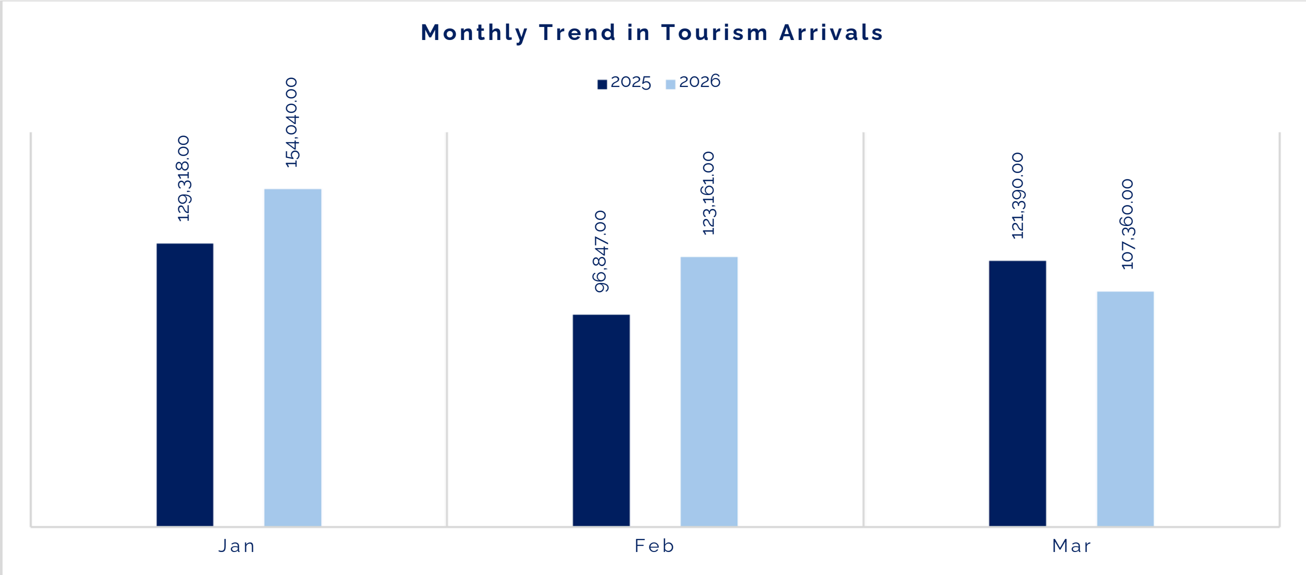
National average room occupancy improved modestly to 38%, although performance remained uneven across provinces.

- Manicaland achieved approximately 42% occupancy.
- Mashonaland East remained weaker at approximately 19%.
- Harare and Bulawayo experienced mild softening.

The data suggests tourism recovery is broadening geographically, even as business travel in major urban centres remains subdued.

March Disruption

The Middle East conflict materially disrupted tourism during March as shown below:

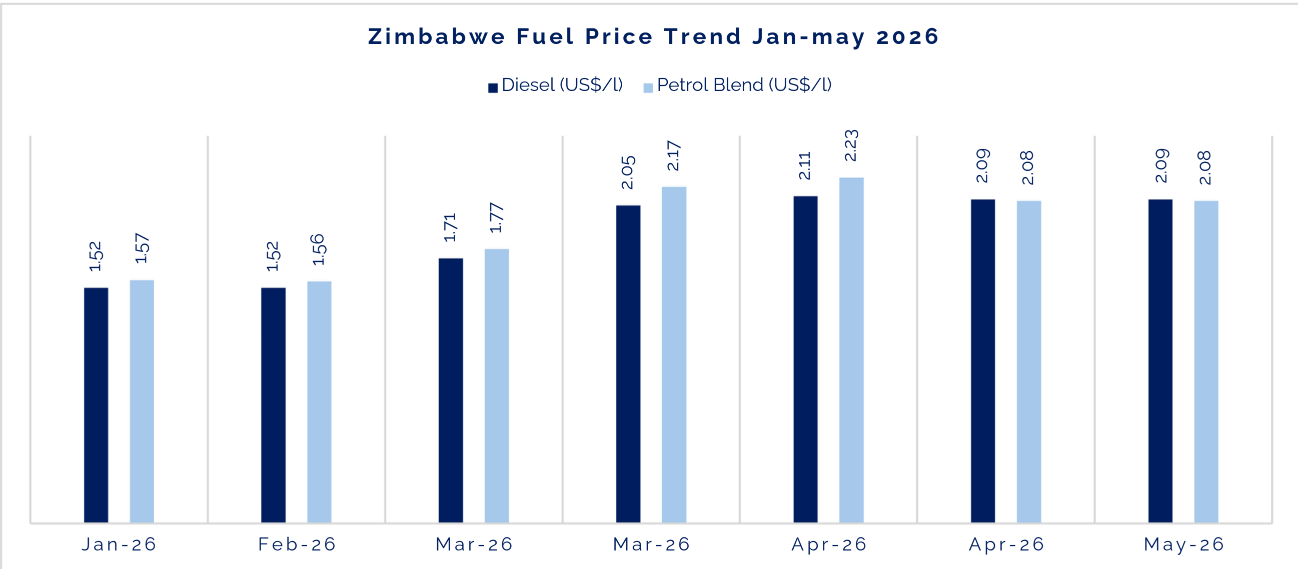


Source: Zimbabwe Tourism Authority (ZTA), FBC Holdings Research

- Overseas markets were disproportionately affected.
- Route disruptions and higher airfares reduced travel demand.

This highlights the tourism sector's sensitivity to external geopolitical conditions. In response, policymakers are increasingly encouraging a strategic pivot toward regional tourism markets, particularly within Africa, which have proven more resilient than long-haul travel during periods of geopolitical uncertainty. Authorities are also promoting overland and rail-based tourism packages as part of a broader effort to reduce dependence on volatile international aviation routes. These adjustments may improve resilience if global travel disruptions persist.

5.4 Fuel and Energy



Source: ZERA, FBC Holdings Research

Fuel prices became one of the mostsignificant economic transmission channels during the first quarter of 2026. Following three major increasesduring March and early April, domestic prices reached US$2.23 per litre and approximately US$2.11 perlitre for petrol and diesel respectively. The government subsequently introduced modest relief measures following temporary easing in international supply conditions. Effective 17 April 2026 diesel prices were reduced to approximately US$2.09 per litre, and petrol prices to approximately US$2.08 per litre

They also temporarily removed selected diesel taxes and levies and increased ethanol blending ratios from 5% (E5) to 20% (E20).

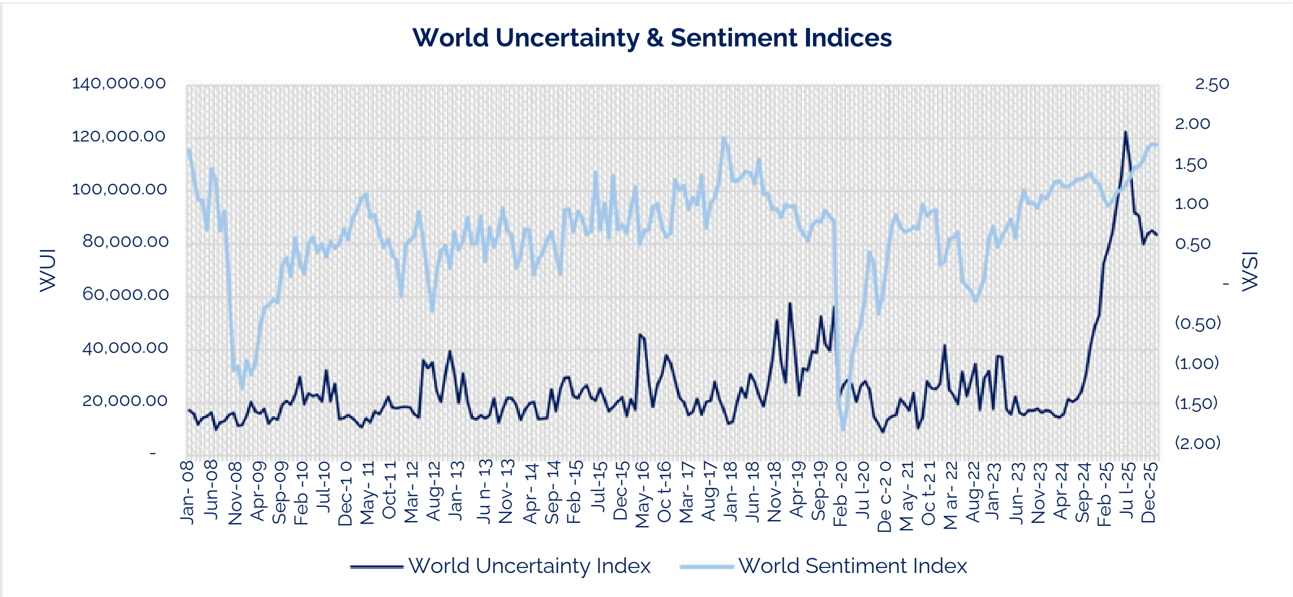
These interventions provided partial short-term relief. However, fuel prices remain significantly elevated relative to earlier in the year and continue exerting inflationary pressure across agriculture, manufacturing, logistics, consumer transport and household energy. The energy outlook therefore remains one of the largest macroeconomic risks facing the economy during the remainder of 2026.

6. Outlook and Strategic Assessment

Zimbabwe's economic outlook for 2026 remains somewhat constructive. The economy now possesses a substantially stronger macroeconomic foundation than during previous stabilization cycles:

- Inflation remains in single digits.
- The exchange rate has stabilized.
- Fiscal discipline has improved.
- Foreign reserves have strengthened.
- The IMF SMP provides external policy credibility.

However, external conditions have deteriorated materially, as geopolitical fragmentations persist, pushing the level of uncertainty to unsustainable levels.



Source: IMF, FBC Holdings Research

The central economic question forthe remainder of 2026 is therefore whether domestic policy measures can absorb prolonged external shocks.

Real GDP growth is expectedtomoderate toward approximately 5% in 2026. This remains comparatively strong by regional standards but reflects elevated energy costs, slower global growth, tight monetary conditions and agricultural input pressures.Inflation is expected to rise further through May and June before stabilizing.

Provided the Middle East conflictdoes not intensify materially single-digit inflation remains achievable; month-on-month inflation should moderate during the second half, and tight monetary policy is likely to remain in place through at least mid-2026.

On the exchange rate front, the ZiGis likely to remain broadly stable, although pressure points remain. The principal risks to exchange rate stability remain another significant oil price spike, speculative pricing, increased capital flight, and a further acceleration in imported inflation pressures. Nonetheless, reserve accumulation and continued fiscal discipline provide a credible protection mechanism.

Key Risks to Monitor

Middle East Conflict Duration

A prolonged disruptionwouldsustain elevated fuel and fertiliser prices, materially increasing inflationary pressure and weakeningexternal balances.

Agricultural Input Costs

Higher fertiliser prices could reduce yields during the 2026/27 agricultural season and worsen food security risks.

Capital Flight and Global Risk Aversion

A deterioration in global investor sentimentcould intensify capital outflows from frontier markets, increasing exchange rate pressure.

IMF SMP Execution Risk

Successful implementationwould materially strengthen international credibility. Failure would damage re-engagement prospects and weaken investor confidence.

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