

## Foreign exchange market developments

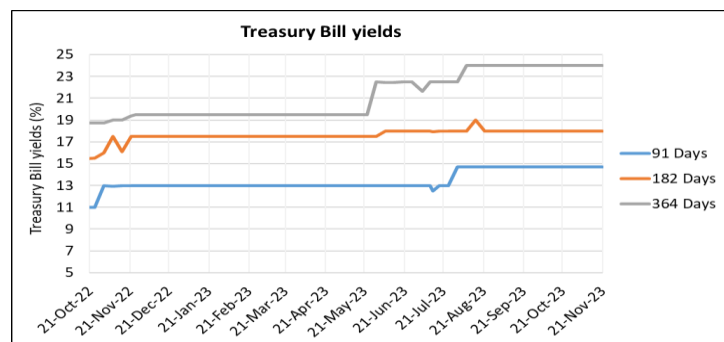
During the week, the Kwacha appreciated against the USD and ZAR but depreciated against the GBP and EUR as indicated in the table below:

Closing TT middle exchange rates as at the end of the week				
Currency	24-Nov-23	% Δ	17-Nov-23	
USD	1697.6121	↑ -0.08%	1698.9246	
GBP	2197.3957	↓ 1.30%	2169.0941	
EUR	1909.6962	↓ 0.67%	1897.0249	
ZAR	92.5143	↑ -1.96%	94.3632	
Gross official foreign exchange reserves position				
	30-Sep-23	31-Aug-23	31-Jul-23	
Reserves (USD'm)	242.68	239.56	267.91	
Import cover (months)	0.97	0.96	1.07	
Benchmark import cover (months)	3.00	3.00	3.00	

Data source: Reserve Bank of Malawi (RBM)

## Government securities

The Government raised K1.62b from auction of Treasury Bills and K77.41b from auctions of Treasury Notes during the week. Maturities of Government securities for the week amounted to K19.44b, resulting in a net withdrawal of K59.59b from the market, compared to a net injection of K7.64b in the previous week (Source: RBM).

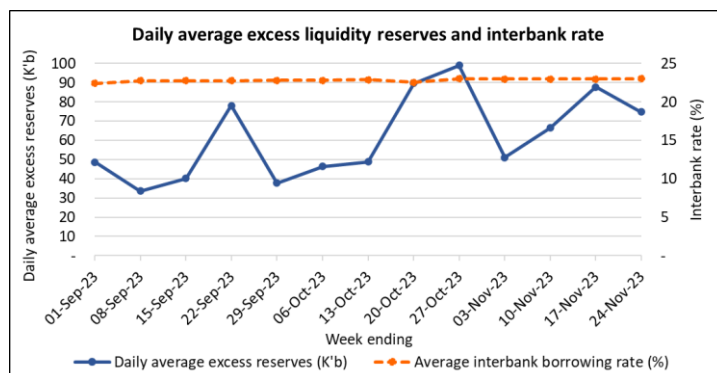


Treasury Bill auctions				
Auction date	21-Nov-23	% pts Δ	14-Nov-23	
Amount offered - cost value (K'm)	10,380.00	⇒ 0.00%	10,380.00	
Applied - cost value (K'm)	1,615.82	↑ 17578.56%	9.14	
Allotted - cost value (K'm)	1,615.82	↑ 17578.56%	9.14	
Overall rejection rate	0.00%	⇒ 0.00	0.00%	
91 days yield	14.7000%	⇒ 0.0000%	14.7000%	
182 days yield	18.0000%	⇒ 0.0000%	18.0000%	
364 days yield	24.0000%	⇒ 0.0000%	24.0000%	
All-type yield	18.9000%	⇒ 0.0000%	18.9000%	
Treasury Note and Bond auctions				
Auction date	21 & 22 Nov 2023	14-Nov-23	31 Oct & 1 Nov 2023	
Tenors	2, 3, 5 & 10 years	3 years	2, 5 & 10 years	
Coupon rate	10.00%, 11.00%, 12.50% & 15.00%	11.00%	10.00%, 12.50% & 15.00%	
Amount offered - cost value (K'b)	K36.79b for 2-year TN	33.96	K28.82b for 5-year TN	
Total applied - cost value (K'b)	78.53	15.86	19.00	
Total allotted - cost value (K'b)	77.41	4.80	19.00	
Allotted - weighted average ytm	26.75%, 28.00%, 30.00% & 33.00%	28.00%	26.75%, 30.00% & 33.00%	
Current yields for Treasury Notes and Bonds				
Tenor	Last auction's yield	Last auction	Next auction	
2-year TN	26.75%	22-Nov-23	TBA	
3-year TN	28.00%	22-Nov-23	12-Dec-23	
5-year TN	30.00%	22-Nov-23	TBA	
5-year Development Bond	28.00%	27-Jun-23	28-Nov-23	
7-year TN	32.00%	17-Oct-23	26-Dec-23	
7-Year Development Bond	27.50%	28-Feb-23	TBA	
10-year TN	33.00%	22-Nov-23	05-Dec-23	
10-year Development Bond	23.35%	26-Apr-22	TBA	
Upcoming auctions of Treasury Notes and Bonds				
Auction date	Tenor (years)	Amount (K'b)	Last auction's coupon rate	
28-Nov-23	5 year IDB	15.00	13.50%	
05-Dec-23	10	19.51	10.00%	
12-Dec-23	3	33.64	11.00%	
26-Dec-23	7	27.43	13.50%	
Projected maturities				
Week ending	24-Nov-23	1-Dec-23	8-Dec-23	
TBs, PNs & TNs (K'm)	19,436	99,762	48,834	
OMO repos (K'm)	0	0	0	
OMO reverse repos (K'm)	0	0	0	

Data source: RBM

## Market liquidity and interbank market activity

Average daily excess liquidity reserves decreased to K74.70b during the week from K87.73b in the previous week. Daily average interbank borrowing increased to K42.97b from K39.87b. Borrowing on the Lombard facility increased to the average of K53.72b per day from K51.74b per day in the previous week. The average interbank borrowing rate marginally increased to 23.02% from 23.00%. The Lombard rate remained fixed at 24.20% (Source: RBM).



Policy Rate				
Rate	27-Oct-23	% pts Δ	27-Jul-23	
	24.00%	⇒ 0.00	24.00%	
Market Reference Rate				
Rate	Nov-23	% pts Δ	Oct-23	
	23.50%	⇒ 0.00	23.50%	
Inflation Rate				
Rate	Oct-23	% pts Δ	Sep-23	
	26.9%	↓ -0.90	27.8%	

## Malawi Stock Exchange (MSE) trading activity

The Malawi All Share Index (MASI) registered a loss of -0.27% to close the week at 113,206.94 points from 113,517.44 points in the previous week due to share price losses in AIRTEL (-6.95%), FDHB (-0.06%), ICON (-0.06%), NBS (-0.34%), NICO (-3.54%) and TNM (-1.41%), which offset share price gains in ILLOVO (8.57%) and STANDARD (0.0003%). The market traded 7,559,454 shares at a consideration of K4.42b in 274 trades, compared to 32,374,875 shares traded at a consideration of K4.74b in 260 trades in the previous week. The year-to-date return on MASI stands at 82.49% compared to 30.97% for the same period in 2022 (Source: MSE).

Stock market trading activity				
	24-Nov-23	% Δ	17-Nov-23	
MASI	113,206.94	↓ -0.27%	113,517.44	
DSI	88,948.77	↓ -0.31%	89,225.06	
FSI	15,048.88	⇒ 0.00%	15,048.88	
Traded volume	7,559,454	↓ -76.65%	32,374,875	
Number of trades	274	↑ 5.38%	260	
Value of shares traded (K'm)	4,419.71	↓ -6.67%	4,735.62	
Market capitalisation (K'm)	6,114,238.30	↓ -0.27%	6,130,876.61	
Gainers				
	Closing price (K)	% Δ	Opening price (K)	
ILLOVO	1218.10	↑ 8.57%	1122.00	
STANDARD	3100.02	↑ 0.0003%	3100.01	
Losers				
	Closing price (K)	% Δ	Opening price (K)	
AIRTEL	90.14	↓ -6.95%	96.87	
FDHB	67.95	↓ -0.06%	67.99	
ICON	17.93	↓ -0.06%	17.94	
NBS	107.07	↓ -0.34%	107.44	
NICO	150.00	↓ -3.54%	155.50	
TNM	27.97	↓ -1.41%	28.37	

Dividends announced					
Company	Dividend type	Dividend (K/share)	Last day to trade	Last day to register	Payable
SUNBIRD	Interim declared	2.00	5-Dec-23	8-Dec-23	15-Dec-23
NBS	2nd interim declared	1.20	5-Dec-23	8-Dec-23	29-Dec-23

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