

**Foreign exchange market developments**

During the week, the Kwacha appreciated against the USD, GBP, EUR and ZAR as indicated by TT middle exchange rates below (Source: RBM).

Closing TT middle exchange rates as at the end of the week			
Currency	11-Jul-25	% Δ	4-Jul-25
USD	1750.7906	↑ -0.01%	1750.9845
GBP	2433.9090	↑ -1.09%	2460.7561
EUR	2104.1518	↑ -0.84%	2121.9754
ZAR	101.6139	↑ -1.12%	102.7666

Foreign exchange reserves position		
	31-May-25	30-Apr-25
	31-Mar-25	
Total foreign exchange reserves (Aggregate of RBM, Banks & FCDAs)	521.00	530.00
Total import cover (months)	2.10	2.10

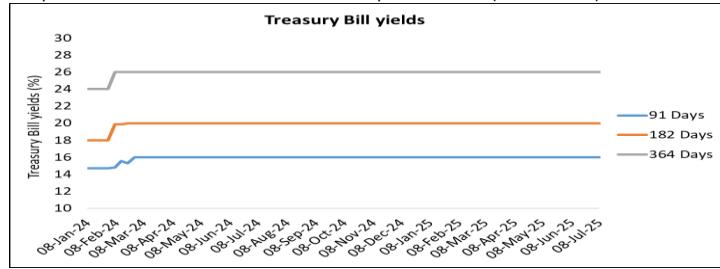
  

Cumulative tobacco sales as at the end of week 14		
Date	Week 14 2025 (11 July 2025)	Week 14 2024 (19 July 2024)
Volume (million kg)	149.69	↑ 14.86% 130.32
Value (USD'million)	380.56	↓ -1.64% 386.91
Average price (USD/Kg)	2.54	↓ -14.48% 2.97

Data source: Reserve Bank of Malawi (RBM)

**Government securities**

The Government raised K51.13b from the auction of Treasury Bills during the week. There was no auction for Treasury Notes. The Reserve Bank of Malawi conducted OMO reverse repos amounting to K18.75b during the week. Maturities of Government securities for the week amounted to K55.60b and maturities of OMO reverse repos amounted to K26.56b. These transactions resulted in a net withdrawal of K3.34b from the market during the week, compared to a net withdrawal of K69.42b in the previous week (Source: RBM).



Treasury Bill auctions			
Auction date	8-Jul-25	% pts Δ	1 & 3 Jul 25
Amount offered -cost value (K'm)	16,992.00	↓ -0.69%	17,110.00
Applied - cost value (K'm)	51,133.53	↓ -17.19%	61,748.62
Allotted - cost value (K'm)	51,133.53	↓ -17.19%	61,748.62
Overall rejection rate	0.00%	↗ 0.00	0.00%
91 days yield	16.0000%	↗ 0.0000%	16.0000%
182 days yield	20.0000%	↗ 0.0000%	20.0000%
364 days yield	26.0000%	↗ 0.0000%	26.0000%
All-type yield	20.6667%	↗ 0.0000%	20.6667%

Treasury Note and Bond auctions			
Auction dates	3-Jul-25	24-Jun-25	24-Jun-25
Tenor	2, 3, 5 & 10-yr TNs	3-yr IDB	2, 3, 5, 7 & 10-yr TNs
Coupon rate	10.00%, 11.00%, 12.5% & 15.0%	0.12	10.00%, 11.00%, 12.5%, 13.5% & 15.0%
Amount offered -cost value (K'b)	51,133.53	10.00	
Total applied - cost value (K'b)	11.83	14.84	144.09
Total allotted - cost value (K'b)	11.83	14.84	144.09
Allotted - weighted average ytm	28.75%, 30.0%, 32.0% & 35.0%	0.3	28.75%, 30.0%, 32.0%, 34.0% & 35.0%

Current yields for Treasury Notes and Bonds			
Tenor	Last auction's yield	Last auction	Next auction
2-year TN	28.75%	03-Jul-25	TBA
2-year Development Bond	28.75%	20-May-25	TBA
3-year TN	30.00%	03-Jul-25	TBA
3-year Development Bond	30.00%	24-Jun-25	TBA
5-year TN	32.00%	03-Jul-25	TBA
5-year Development Bond	32.00%	20-Feb-25	TBA
7-year TN	34.00%	24-Jun-25	TBA
7-year Development Bond	34.00%	07-Jan-25	TBA
10-year TN	35.00%	03-Jul-25	TBA
10-year Development Bond	35.00%	20-Jun-24	TBA

Upcoming auctions of Treasury Notes and Bonds			
Auction date	Tenor (years)	Amount (K'b)	Last auction's coupon rate
15-Jul-25	2	77.65	10.00%
22-Jul-25	5	66.78	12.50%
05-Aug-25	2	10.00	10.00%
12-Aug-25	10	36.14	15.00%
19-Aug-25	3	70.10	11.00%
02-Sep-25	7	34.24	13.50%
09-Sep-25	2	77.65	10.00%
16-Sep-25	3	10.00	11.00%
30-Sep-25	5	66.78	12.50%

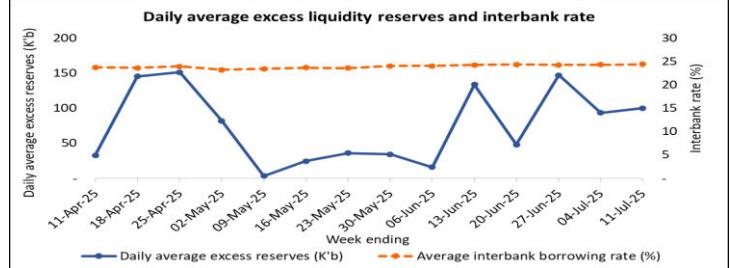
  

Projected maturities			
Week ending	11-Jul-25	18-Jul-25	25-Jul-25
TBs, PNs & TNs (K'm)	55,602	28,219	51,479
OMO repos (K'm)	0	0	0
OMO reverse repos (K'm)	26,563	15,711	0

Data source: RBM

**Market liquidity and interbank market activity**

During the week, daily excess liquidity reserves averaged K100.05b, increasing from an average of K93.36b in the previous week. The daily interbank borrowing averaged K84.39b during the week from K55.30b in the previous week. Borrowing on the Lombard facility averaged K89.83b per day during the week, compared to K82.60b per day in the previous week. The average interbank borrowing rate increased to 24.42% from 24.32% in the previous week. The Lombard rate remained fixed at 26.20% (Source: RBM).



Policy Rate		
	07-May-25	% pts Δ
Rate	26.00%	→ 0.00

Market Reference Rate		
	Jul-25	% pts Δ
Rate	25.30%	↑ 0.20

Inflation Rate		
	May-25	% pts Δ
Rate	27.7%	↓ -1.50

**Malawi Stock Exchange (MSE) trading activity**

The Malawi All Share Index (MASI) registered a gain of 5.33% to close the week at 350,875.20 points from 333,128.04 points in the previous week. The market traded 5,961,208 shares at a consideration of K6.12b in 613 trades, compared to 16,722,935 shares traded at a consideration of K10.09b in 963 trades in the previous week. The year-to-date return on MASI stood at 103.95% at the end of the week, compared to 11.52% for the same period in 2024 (Source: MSE).

Stock market trading activity					
	11-Jul-25	% Δ	04-Jul-25		
MASI	350,875.20	↑ 5.33%	333,128.04		
DSI	265,426.83	↑ 6.33%	249,636.05		
FSI	59,748.59	↑ 0.002%	59,747.60		
Traded volume	5,961,208	↓ -64.35%	16,722,935		
Number of trades	613	↓ -36.34%	963		
Value of shares traded (K'm)	6,118.40	↓ -39.38%	10,093.15		
Market capitalisation (K'm)	19,100,721.75	↑ 5.28%	18,142,012.46		
Gainers	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
FDHB	458.61	↑ 30.96%	350.19	42.73	32.49
TNM	34.50	↑ 17.75%	29.30	39.58	7.68
NITL	900.00	↑ 8.43%	830.02	4.08	1.65
NBM	6500.02	↑ 4.83%	6200.45	29.67	11.30
MPICO	19.25	↑ 1.21%	19.02	5.18	0.68
ICON	17.93	↑ 0.06%	17.92	4.90	0.82
ILLOVO	1791.28	↑ 0.002%	1791.24	56.47	8.59
FMBCH	1199.71	↑ 0.002%	1199.69	24.94	8.96
OMU	2,500.04	↑ 0.0004%	2,500.03	16.33	2.17
STANDARD	12000.01	↑ 0.0001%	12000.00	32.61	10.84
No movement	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
AIRTEL	127.41	→ 0.00%	127.41	32.81	43.64
BHL	14.55	→ 0.00%	14.55	(62.42)	1.32
NBS	699.81	→ 0.00%	699.81	27.91	18.18
NICO	865.00	→ 0.00%	865.00	12.53	5.80
PCL	5,100.00	→ 0.00%	5,100.00	9.48	1.76
SUNBIRD	350.01	→ 0.00%	350.01	8.62	1.31

Data source: MSE

Dividends announced					
Company	Dividend type	Dividend (K/share)	Ex-dividend date	Last day to register	Payment date
NBM	Final declared	61.25	2-Jul-25	4-Jul-25	18-Jul-25
MPICO	Final declared	0.43	16-Jul-25	18-Jul-25	25-Jul-25
AIRTEL	Final declared	2.00	23-Jul-25	25-Jul-25	28-Jul-25
STANDARD	Final declared	70.31	9-Jul-25	11-Jul-25	31-Jul-25
SUNBIRD	Final declared	10.50	30-Jul-25	1-Aug-25	15-Aug-25
NITL	Final proposed	4.30	TBA	TBA	TBA
NBS	Final proposed	1.50	TBA	TBA	TBA
NICO	Final proposed	4.00	TBA	TBA	TBA
ICON	Final proposed	0.15	TBA	TBA	TBA

**Disclaimer:** The views expressed in this report are those of the author and are based on information believed to be correct. Any views or information, whilst given in good faith, are not necessarily the views of CDH Investment Bank (CDHIB) and are given with an express disclaimer of responsibility and no right of action shall arise against the author, CDHIB, its directors or its employees either directly or indirectly out of any views, advice, or information. The information presented are for information purposes only and does not constitute and should not be construed as investment advice or recommendation. The statistics have been obtained from third party data sources. We believe these sources to be reliable but cannot guarantee their accuracy or completeness. Recipients of this report shall be solely responsible for making their own independent appraisal and investigation into all matters herein.