

Foreign exchange market developments

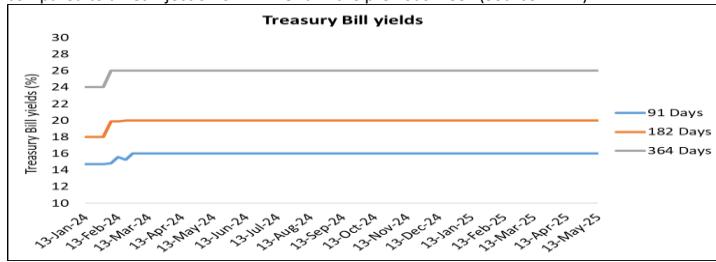
During the week, the Kwacha depreciated against the USD, GBP and ZAR, but appreciated against the EUR, as indicated by TT middle exchange rates below (Source: RBM).

Closing TT middle exchange rates as at the end of the week			
Currency	16-May-25	% Δ	9-May-25
USD	1750.7998	↓ 0.12%	1748.7348
GBP	2402.5752	↓ 0.85%	2382.3056
EUR	2018.9855	↑ -0.38%	2026.6068
ZAR	100.1515	↓ 2.64%	97.5802
Foreign exchange reserves position			
	28-Feb-25	31-Jan-25	31-Dec-24
Total foreign exchange reserves (Aggregate of RBM, Banks & FCDAs)	569.50	570.60	530.90
Total import cover (months)	2.30	2.30	2.10
Cumulative tobacco sales as at the end of week 6			
Date	Week 6 2025 15 May 2025)	% Δ	Week 6 2024 (24 May 2024)
Volume (million kg)	44.75	↓ -13.68%	51.84
Value (USD'million)	107.36	↓ -25.44%	144.00
Average price (USD/Kg)	2.40	↓ -13.67%	2.78

Data source: Reserve Bank of Malawi (RBM)

Government securities

The Government raised K25.92b from the auction of Treasury Bills. There was no auction of Treasury Notes during the week. Maturities of Government securities for the week amounted to K20.24b, resulting in a net withdrawal of K5.68b from the market during the week, compared to a net injection of K21.781b in the previous week (Source: RBM).



Treasury Bill auctions			
Auction date	6-May-25	% pts Δ	6-May-25
Amount offered -cost value (K'm)	19,285.00	↗ 0.00%	19,285.00
Applied - cost value (K'm)	25,919.82	↓ -20.84%	32,744.82
Allotted - cost value (K'm)	25,919.82	↓ -20.84%	32,744.82
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	6-May-25	22-Apr-25	15-Apr-25
Tenor	3 years	5 years	2 years
Coupon rate	11.00%	12.50%	0.1
Amount offered -cost value (K'b)	77.14	68.95	84.712
Total applied - cost value (K'b)	15.55	19.96	7.49
Total allotted - cost value (K'b)	15.55	19.96	7.49
Allotted - weighted average ytm	30.00%	32.00%	0.2875

Current yields for Treasury Notes and Bonds			
Tenor	Last auction's yield	Last auction	Next auction
2-year TN	28.75%	15-Apr-25	03-Jun-25
2-year Development Bond	28.75%	25-Feb-25	20-May-25
3-year TN	30.00%	06-May-25	TBA
3-year Development Bond	30.00%	10-Feb-25	24-Jun-25
5-year TN	32.00%	22-Apr-25	17-Jun-25
5-year Development Bond	32.00%	20-Feb-25	TBA
7-year TN	34.00%	25-Mar-25	27-May-25
7-Year Development Bond	34.00%	07-Jan-25	TBA
10-year TN	35.00%	08-Apr-25	10-Jun-25
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
20-May-25	2 IDB	10.00	11.00%
27-May-25	7	63.40	13.50%
03-Jun-25	2	84.71	10.00%
10-Jun-25	10	55.70	15.00%
17-Jun-25	5	68.95	12.50%
24-Jun-25	3 IDB	10.00	12.00%

Projected maturities

Week ending 16-May-25 23-May-25 30-May-25

TBs, PNs & TNs (K'm) 20,242 14,587 6,890

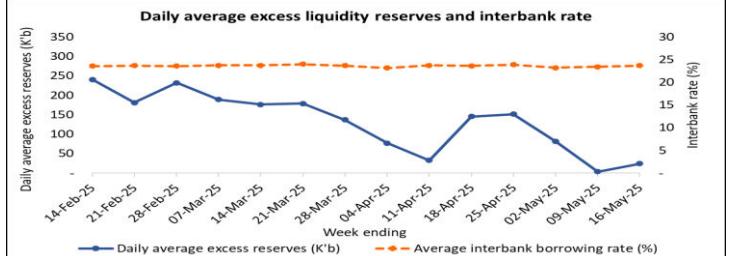
OMO repos (K'm) 0 0 0

OMO reverse repos (K'm) 0 0 29,488

Data source: RBM

Market liquidity and interbank market activity

During the week, daily excess liquidity reserves averaged K24.46b, decreasing from an average of K3.37b in the previous week. The daily interbank borrowing averaged K84.63b during the week from K61.80b in the previous week. Borrowing on the Lombard facility averaged K96.00b per day during the week, compared to K50.00b per day in the previous week. The average interbank borrowing rate increased to 23.67% from 23.43% in the previous week. The Lombard rate remained fixed at 26.20% (Source: RBM).



Policy Rate			
	07-May-25	% pts Δ	30-Jan-25
Rate	26.00%	↗ 0.00	26.00%
Market Reference Rate			
	May-25	% pts Δ	Apr-25
Rate	25.20%	↑ 0.10	25.10%
Inflation Rate			
	Mar-25	% pts Δ	Feb-25
Rate	30.5%	↓ -0.20	30.7%

Malawi Stock Exchange (MSE) trading activity

The Malawi All Share Index (MASI) registered a loss of 0.12% to close the week at 288,945.17 points from 289,280.32 points in the previous. The market traded 11,728,867 shares at a consideration of K3.59b in 609 trades, compared to 7,621,753 shares traded at a consideration of K1.73b in 725 trades in the previous week. The year-to-date return on MASI stood at 67.95% at the end of the week, compared to 2.47% for the same period in 2024 (Source: MSE).

Stock market trading activity					
	16-May-25	% Δ	09-May-25		
MASI	288,945.17	↓ -0.12%	289,280.32		
DSI	213,622.06	↑ 0.02%	213,574.23		
FSI	55,532.80	↓ -0.79%	55,974.75		
Traded volume	11,728,867	↑ 53.89%	7,621,753		
Number of trades	609	↓ -16.00%	725		
Value of shares traded (K'm)	3,588.90	↑ 106.93%	1,734.39		
Market capitalisation (K'm)	15,754,662.74	↑ 0.10%	15,739,192.37		
Gainers	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
SUNBIRD	345.00	↑ 14.94%	300.16	8.49	1.29
MPICO	19.00	↑ 0.05%	18.99	5.11	0.67
NITL	715.14	↑ 0.003%	715.12	3.24	1.31
STANDARD	9502.12	↑ 0.001%	9502.04	25.82	8.58
NBM	6200.15	↑ 0.0003%	6200.13	28.30	10.78
No movement	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
BHL	14.55	↗ 0.00%	14.55	(62.42)	1.32
OMU	2,500.01	↗ 0.00%	2,500.01	16.35	2.18
PCL	3,999.99	↗ 0.00%	3,999.99	7.44	1.38
TNM	23.00	↗ 0.00%	23.00	26.39	5.12
Losers	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
ILLOVO	1791.52	↓ -0.002%	1791.55	56.48	8.59
NICO	776.57	↓ -0.01%	776.65	11.25	5.21
ICON	17.94	↓ -0.06%	17.95	4.91	0.82
FDHB	314.06	↓ -0.06%	314.24	29.26	22.25
NBS	342.63	↓ -0.26%	343.54	13.66	8.90
AIRTEL	128.39	↓ -0.34%	128.83	33.06	43.98
FMBCH	1114.62	↓ -0.79%	1123.54	23.17	8.33

Data source: MSE

Dividends announced					
Company	Dividend type	Dividend (K/share)	Ex-dividend date	Last day to register	Payment date
STANDARD	Final proposed	70.31	TBA	TBA	TBA
FDHB	Final proposed	0.66	TBA	TBA	TBA
NITL	Final proposed	4.30	TBA	TBA	TBA
NBM	Final proposed	61.25	TBA	TBA	TBA
NICO	Final proposed	4.00	TBA	TBA	TBA
MPICO	Final proposed	0.43	TBA	TBA	TBA
ICON	Final proposed	0.15	TBA	TBA	TBA
SUNBIRD	Final proposed	10.50	TBA	TBA	TBA
AIRTEL	Final proposed	2.00	TBA	TBA	TBA

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