

Foreign exchange market developments

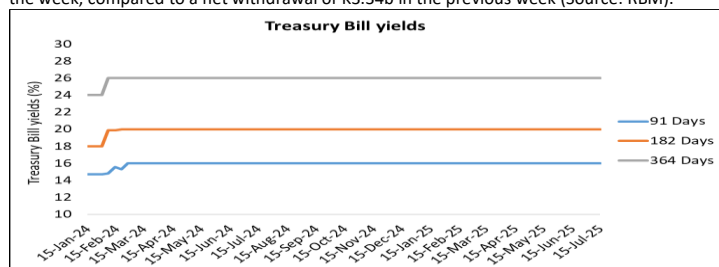
During the week, the Kwacha appreciated against the USD, GBP, EUR and ZAR as indicated by TT middle exchange rates below (Source: RBM).

Closing TT middle exchange rates as at the end of the week			
Currency	18-Jul-25	% Δ	11-Jul-25
USD	1750.2774	↑ -0.03%	1750.7906
GBP	2419.6548	↑ -0.59%	2433.9090
EUR	2087.5688	↑ -0.79%	2104.1518
ZAR	100.8770	↑ -0.73%	101.6139
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	536.00
Total import cover (months)	2.10	2.10	2.10
Cumulative tobacco sales as at the end of week 15			
Date	Week 15 2025 (18 July 2025)	% Δ	Week 15 2024 (26 July 2024)
Volume (million kg)	161.91	↑ 22.52%	132.15
Value (USD'million)	412.51	↑ 4.94%	393.08
Average price (USD/Kg)	2.55	↓ -14.14%	2.97

Data source: Reserve Bank of Malawi (RBM)

Government securities

The Government raised K57.64b from the auction of Treasury Bills and K20.09b from the auction of a 2-year Treasury Note during the week. The Reserve Bank of Malawi conducted OMO reverse repos amounting to K7.50b during the week. Maturities of Government securities for the week amounted to K28.22b and maturities of OMO reverse repos amounted to K15.71b. These transactions resulted in a net withdrawal of K57.72b from the market during the week, compared to a net withdrawal of K3.34b in the previous week (Source: RBM).

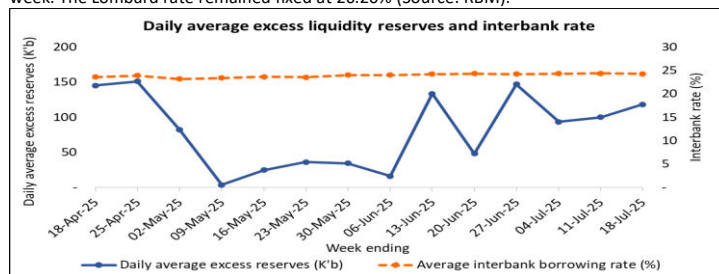


Treasury Bill auctions			
Auction date	15-Jul-25	% pts Δ	8-Jul-25
Amount offered - cost value (K'm)	16,992.00	↓	16,992.00
Applied - cost value (K'm)	57,644.93	↑ 12.73%	51,133.53
Allotted - cost value (K'm)	57,644.93	↑ 12.73%	51,133.53
Overall rejection rate	0.00%	0.00	0.00%
91 days yield	16.0000%	↓ 0.0000%	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	15-Jul-25	3-Jul-25	24-Jun-25
Tenor	2-yr TN	2, 3, 5 & 10-yr TNs	2-yr TN, 3-yr TN, 3-yr IDB, 5-yr TN, 7-yr TN & 10-yr TN
Coupon rate	10.0%	10.0%, 11.0%, 12.5% & 15.0%	10.0%, 11.0%, 12.0%, 12.5%, 13.5% & 15.0%
Amount offered - cost value (K'b)	77.65		K10.00b for the 3-yr IDB
Total applied - cost value (K'b)	20.09	11.83	158.93
Total allotted - cost value (K'b)	20.09	11.83	158.93
Allotted - weighted average ytm	28.75%	28.75%, 30.0%, 32.0% & 35.0%	28.75%, 30.0%, 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%	15-Jul-25	05-Aug-25
2-year Development Bond	28.75%	20-May-25	TBA
3-year TN	30.00%	03-Jul-25	19-Aug-25
3-year Development Bond	30.00%	24-Jun-25	TBA
5-year TN	32.00%	03-Jul-25	30-Sep-25
5-year Development Bond	32.00%	20-Feb-25	TBA
7-year TN	34.00%	24-Jun-25	02-Sep-25
7-year Development Bond	34.00%	07-Jan-25	TBA
10-year TN	35.00%	03-Jul-25	12-Aug-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
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	18-Jul-25	25-Jul-25	1-Aug-25
TBs, PNs & TNs (K'm)	28,219	51,479	51,479
OMO repos (K'm)	0	0	0
OMO reverse repos (K'm)	15,711	0	0

Data source: RBM

Market liquidity and interbank market activity

During the week, daily excess liquidity reserves averaged K118.44b, increasing from an average of K100.05b in the previous week. The daily interbank borrowing averaged K73.80b during the week from K84.39b in the previous week. Borrowing on the Lombard facility amounted to K89.00b per day during the week, compared to K359.30b per day in the previous week. The average interbank borrowing rate decreased to 24.30% from 24.42% 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			
	Jul-25	% pts Δ	Jun-25
Rate	25.30%	↑ 0.20	25.10%
Inflation Rate			
	May-25	% pts Δ	Apr-25
Rate	27.7%	↓ -1.50	29.2%

Malawi Stock Exchange (MSE) trading activity

The Malawi All Share Index (MASI) registered a gain of 4.73% to close the week at 367,465.79 points from 350,875.20 points in the previous week. The market traded 14,802,900 shares at a consideration of K5.22b in 1,086 trades, compared to 5,961,208 shares traded at a consideration of K6.12b in 613 trades in the previous week. The year-to-date return on MASI stood at 113.59% at the end of the week, compared to 14.55% for the same period in 2024 (Source: MSE).

Stock market trading activity					
	18-Jul-25	% Δ	11-Jul-25		
MASI	367,465.79	↑ 4.73%	350,875.20		
DSI	278,199.09	↑ 4.81%	265,426.83		
FSI	62,290.25	↑ 4.25%	59,748.59		
Traded volume	14,802,900	↑ 148.32%	5,961,208		
Number of trades	1,086	↑ 77.16%	613		
Value of shares traded (K'm)	5,221.40	↓ -14.66%	6,118.40		
Market capitalisation (K'm)	20,003,582.95	↑ 4.73%	19,100,721.75		
Gainers	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
NICO	994.75	↑ 15.00%	865.00	14.41	6.67
FDHB	527.40	↑ 15.00%	458.61	49.14	37.36
TNM	39.50	↑ 14.49%	34.50	45.32	8.79
SUNBIRD	400.01	↑ 14.29%	350.01	9.85	1.50
AIRTEL	135.00	↑ 5.96%	127.41	34.76	46.24
FMBCH	1251.01	↑ 4.28%	1199.71	26.01	9.35
MPICO	19.51	↑ 1.35%	19.25	5.25	0.69
STANDARD	12050.00	↑ 0.42%	12000.01	32.74	10.88
BHL	14.57	↑ 0.14%	14.55	(62.51)	1.32
NBS	699.98	↑ 0.02%	699.81	27.91	18.18
NITL	900.04	↑ 0.004%	900.00	4.08	1.65
NBM	6500.08	↑ 0.001%	6500.02	29.67	11.30
No movement	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
ICON	17.93	→ 0.00%	17.93	4.90	0.82
ILLOVO	1791.28	→ 0.00%	1791.28	56.47	8.59
OMU	2,500.04	→ 0.00%	2,500.04	16.33	2.17
PCL	5,100.00	→ 0.00%	5,100.00	9.48	1.76

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
FMBCH	Interim declared	0.4322 cents	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

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