

Foreign exchange market developments

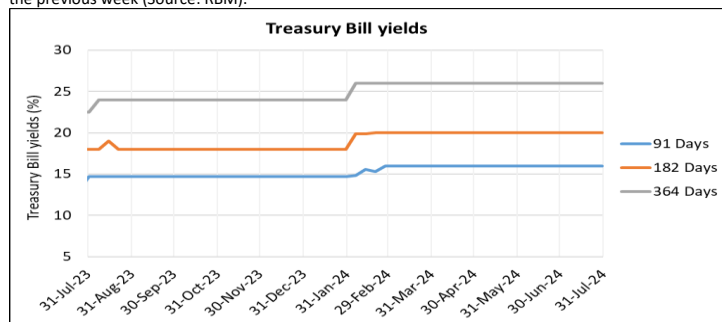
During the week the Kwacha appreciated against USD, GBP and EUR but depreciated against ZAR as indicated by TT middle exchange rates below:

Closing TT middle exchange rates as at the end of the week				
Currency	2-Aug-24	% Δ	26-Jul-24	
USD	1750.3741	↑ -0.01%	1750.6019	
GBP	2278.9191	↑ -1.57%	2315.2101	
EUR	1939.4725	↑ -0.98%	1958.5748	
ZAR	98.0925	↓ 0.43%	97.6748	
Opening foreign exchange bureaux middle rates as at the end of the week				
Currency	24-Jul-24	% Δ	19-Jul-24	
USD	1926.7942	↓ 0.02%	1926.3775	
GBP	2476.1667	↑ -0.08%	2478.1667	
EUR	2112.2917	↑ -0.05%	2113.4375	
ZAR	104.5975	↑ -0.06%	104.6600	
Foreign exchange reserves position				
	30-Jun-24	31-May-24	30-Apr-24	
Total foreign exchange reserves (Aggregate of RBM, Banks & Total import cover (months)	591.51	610.18	603.07	
	2.37	2.44	2.41	
Cumulative tobacco sales as at the end of week 16				
Date	Week 16 2024 (2 August)	% Δ	Week 16 2023 (28 July)	
Volume (million kg)	133.12	↑ 11.57%	119.32	
Value (USD/million)	396.28	↑ 41.13%	280.80	
Average price (USD/Kg)	2.98	↑ 26.81%	2.35	

Data source: Reserve Bank of Malawi (RBM)

Government securities

The Government raised K6.03b from auction of Treasury Bills and K4.46b from auction of Treasury Notes during the week. Maturities of Government securities for the week amounted to K38.86b, resulting in a net injection of K28.37b into the market, compared to a net withdrawal of K45.10b in the previous week (Source: RBM).

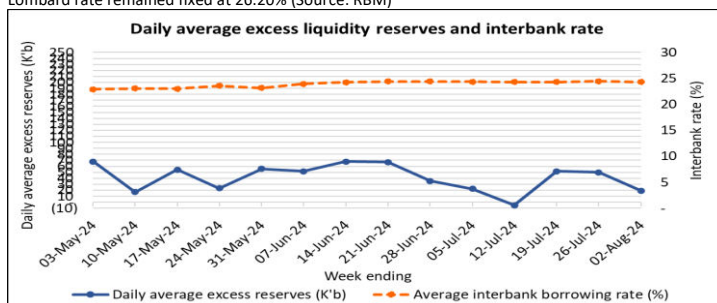


Treasury Bill auctions				
Auction date	30-Jul-24	% pts Δ	23 & 26 July 24	
Amount offered - cost value (K'm)	10,086.00	0.00%	10,086.00	
Applied - cost value (K'm)	6,033.17	↓ -71.92%	21,483.24	
Allotted - cost value (K'm)	6,033.17	↓ -71.92%	21,483.24	
Overall rejection rate	0.00%	0.00	0.00%	
91 days yield	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	1-Aug-24	30-Jul-24	18-Jul-24	
Tenor	2, 3, 5, 7 & 10 year TNs	5 year TN	2, 3, 5, 7 & 10 year TNs	
Coupon rate	10.00%, 11.00%, 12.50%, 13.50% & 15.00%	12.50%	10.00%, 11.00%, 12.50%, 13.50% & 15.00%	
Amount offered - cost value (K'b)	4.39	0.07	9.58	
Total applied - cost value (K'b)	4.39	0.07	9.58	
Allotted - weighted average ytm	28.75%, 30.00%, 32.00%, 34.00% & 35.00%	32.00%	28.75%, 30.00%, 32.00%, 34.00% & 35.00%	
Current yields for Treasury Notes and Bonds				
Tenor	Last auction's yield	Last auction	Next auction	
2-year TN	28.75%	01-Aug-24	03-Sep-24	
3-year TN	30.00%	01-Aug-24	20-Aug-24	
5-year TN	32.00%	01-Aug-24	30-Jul-24	
5-year Development Bond	28.00%	28-Nov-23	TBA	
7-year TN	34.00%	01-Aug-24	27-Aug-24	
7-year Development Bond	32.00%	16-Jan-24	06-Aug-24	
10-year TN	35.00%	01-Aug-24	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	
06-Aug-24	7-year IDB	20.00	14.50%	
20-Aug-24	3	49.12	11.00%	
27-Aug-24	7	45.48	13.50%	
03-Sep-24	2	52.80	10.00%	
17-Sep-24	5	45.20	12.50%	
24-Sep-24	3	49.12	11.00%	
Projected maturities				
Week ending	2-Aug-24	9-Aug-24	16-Aug-24	
TBs, PNs & TNs (K'm)	38,858	26,562	26,230	
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 K19.17b during the week from K49.86b in the previous week. Daily average interbank borrowing decreased to K52.00b from K84.34b. Borrowing on the Lombard facility increased to an average of K106.73b per day, compared to K76.46b per day in the previous week. The average interbank borrowing rate decreased to 24.32% from 24.45%. The Lombard rate remained fixed at 26.20% (Source: RBM)



Policy Rate			
Rate	25-Jul-24	% pts Δ	03-May-24
	26.00%	0.00	26.00%
Market Reference Rate			
Rate	Aug-24	% pts Δ	Jul-24
	25.40%	0.00	25.40%
Inflation Rate			
Rate	Jun-24	% pts Δ	May-24
	33.3%	0.60	32.7%

Malawi Stock Exchange (MSE) trading activity

The Malawi All Share Index (MASI) registered a gain of 2.91% to close the week at 132,752.47 points from 128,993.20 points in the previous. The market traded 5,850,698 shares at a consideration of K1.52 in 318 trades, compared to 2,463,488 shares traded at a consideration of K376.47m in 387 trades in the previous week. The year-to-date return on MASI stood at 19.65% as at the end of the week compared to 83.30% for the same period in 2023 (Source: MSE).

Stock market trading activity				
	02-Aug-24	% Δ	26-Jul-24	
MASI	132,752.47	↑ 2.91%	128,993.20	
DSI	102,449.14	↑ 3.38%	99,103.73	
FSI	20,018.57	0.00%	20,019.07	
Traded volume	5,850,698	↑ 137.50%	2,463,488	
Number of trades	318	↓ -17.83%	387	
Value of shares traded (K'm)	1,522.41	↑ 304.40%	376.47	
Market capitalisation (K'm)	7,173,715.52	↑ 2.89%	6,972,278.61	
Gainers				
	Closing price (K)	% Δ	Opening price (K)	
FDHB	129.86	↑ 8.19%	120.03	
ILLOVO	1,355.13	↑ 0.001%	1,355.12	
NBM	3000.01	↑ 11.11%	2700.08	
SUNBIRD	224.03	↑ 0.004%	224.02	
Losers				
	Closing price (K)	% Δ	Opening price (K)	
AIRTEL	44.99	↓ -0.44%	45.19	
FMBCH	400.00	↓ -0.002%	400.01	
ICON	15.86	↓ -0.19%	15.89	
NBS	151.49	↓ -0.51%	152.27	
NICO	199.01	↓ -0.03%	199.06	
NITL	411.36	↓ -0.002%	411.37	
PCL	2499.97	↓ -0.0004%	2499.98	
TNM	16.30	↓ -1.03%	16.47	

Corporate news

Airtel Malawi Plc announced that following the adjournment of the 25th Annual General Meeting ("AGM") on 31 May 2024, the Company obtained a waiver from the Registrar of Companies to publish the revised Audited Financial Statements for the year ending 31 December 2023 outside the six months period ending 30 June 2024. Subsequently, the Company obtained an extension from the Malawi Stock Exchange for the publication of the revised Audited Financial Statements by 31 August 2024. In addition, the Company has obtained a Court Order allowing it to hold the continuation of the adjourned AGM by 31 October 2024 (Source: MSE).

Dividends announced					
Company	Dividend type	Dividend (K/share)	Ex-dividend date	Last day to register	Payment date
SUNBIRD	Final declared	5.70	24 July 2024	26 July 2024	9-Aug-24
FDHB	1st Interim declared	1.89	14-Aug-24	16-Aug-24	22-Aug-24
ICON	Final declared	0.14	7-Aug-24	9-Aug-24	23-Aug-24
PCL	Final declared	37.00	14-Aug-24	16-Aug-24	30-Aug-24
NBS	Final declared	0.64	14-Aug-24	16-Aug-24	3-Sep-24
NITL	Final declared	5.00	TBA	TBA	TBA
NICO	Final declared	2.00	TBA	TBA	TBA

Annual general meetings			
Company	Venue	Date	Time
BHL	Ryalls Hotel	08-Aug-24	15:00 hrs

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