



Foreign exchange market developments

During the week, the Kwacha marginally 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	22-Nov-24	% Δ	15-Nov-24	
USD	1750.1177	↑ -0.004%	1750.1920	
GBP	2264.7764	↑ -0.63%	2279.2421	
EUR	1885.6921	↑ -0.82%	1901.2111	
ZAR	99.2473	↑ -0.54%	99.7872	

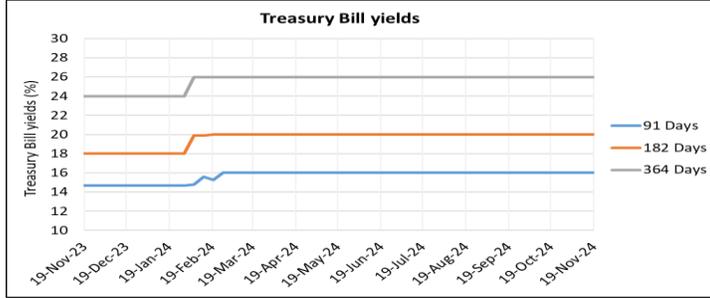
Opening foreign exchange bureaux middle rates as at the end of the week				
Currency	16-Oct-24	% Δ	11-Oct-24	
USD	1931.6900	↑ -0.0001%	1931.6913	
GBP	2527.7356	↑ -0.05%	2528.9204	
EUR	2141.5365	↑ -0.17%	2145.1925	
ZAR	108.3275	↓ 0.23%	108.0769	

Foreign exchange reserves position				
	30-Sep-24	31-Aug-24	31-Jul-24	
Total foreign exchange reserves (Aggregate of RBM, Banks & Total import cover (months))	560.30	549.85	572.02	
	2.20	2.20	2.29	

Data source: Reserve Bank of Malawi (RBM)

Government securities

The Government raised K3.76b from auction of Treasury Bills and K9.90b from auction of a 5-year Treasury Note during the week. Maturities of Government securities for the week amounted to K14.91b, resulting in a net injection of K1.25b into the market compared to a net withdrawal of K89.65b in the previous week (Source: RBM).



Treasury Bill auctions				
Auction date	19-Nov-24	% pts Δ	11 & 12 Nov 24	
Amount offered - cost value (K'm)	12,420.00	→	12,420.00	
Applied - cost value (K'm)	3,763.01	↓ -75.43%	15,315.31	
Allotted - cost value (K'm)	3,763.01	↓ -75.43%	15,315.31	
Overall rejection rate	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	19-Nov-24	11 & 12 Nov 24	5-Nov-24	
Tenor	5-yr TN	2-yr TN, 3-yr TN, 3-yr IDB, 5-yr TN, 7-yr TN & 10-yr TN	3-yr TN	
Coupon rate	12.50%	10.00%, 11.00%, 12.00%, 12.50%, 13.50% & 15.00%	11.00%	
Amount offered - cost value (K'b)	30.08		37.54	
Total applied - cost value (K'b)	10.94	119.14	18.25	
Total allotted - cost value (K'b)	9.90	119.14	18.25	
Allotted - weighted average ytm	32.00%	28.75%, 30.00%, 30.00%, 32.00%, 34.00% & 35.00%	30.00%	

Current yields for Treasury Notes and Bonds				
Tenor	Last auction's yield	Last auction	Next auction	
2-year TN	28.75%	15-Nov-24	10-Dec-24	
3-year TN	30.00%	15-Nov-24	17-Dec-24	
3-year Development Bond	30.00%	15-Nov-24	TBA	
5-year TN	32.00%	19-Nov-24	TBA	
5-year Development Bond	28.00%	28-Nov-23	31-Dec-24	
7-year TN	34.00%	11-Nov-24	03-Dec-24	
7-Year Development Bond	34.00%	20-Sep-24	TBA	
10-year TN	35.00%	15-Nov-24	TBA	
10-year Development Bond	35.00%	20-Jun-24	TBA	

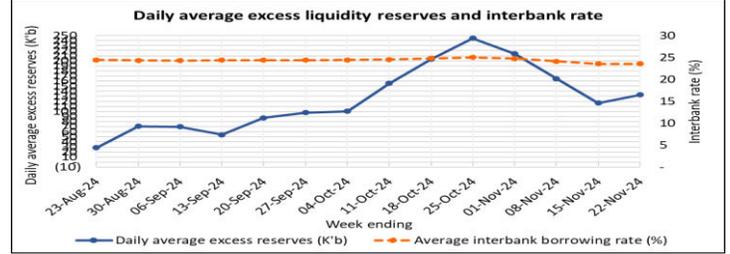
Upcoming auctions of Treasury Notes and Bonds				
Auction date	Tenor (years)	Amount (K'b)	Last auction's coupon rate	
26-Nov-24	2-yr IDB	20.00		
03-Dec-24	7-yr TN	27.61	13.50%	
10-Dec-24	2-yr TN	42.05	10.00%	
17-Dec-24	3-yr TN	37.54	11.00%	
31-Dec-24	5-yr IDB	10.00	13.50%	

Projected maturities				
Week ending	22-Nov-24	29-Nov-24	6-Dec-24	
TBs, PNs & TNs (K'm)	14,914	11,926	80,153	
OMO repos (K'm)	0	0	0	
OMO reverse repos (K'm)	0	47,266	0	

Data source: RBM

Market liquidity and interbank market activity

Average daily excess liquidity reserves increased to K132.73b during the week from K116.85b in the previous week. Daily average interbank borrowing increased to K54.20b from K50.94b in the previous week. There was no borrowing on the Lombard facility during the week compared to K28.00b that was borrowed in the previous week. The average interbank borrowing rate marginally increased to 23.53% from 23.52% in the previous week. The Lombard rate remained fixed at 26.20% (Source: RBM).



Policy Rate				
	04-Nov-24	% pts Δ	25-Jul-24	
Rate	26.00%	→ 0.00	26.00%	

Market Reference Rate				
	Nov-24	% pts Δ	Oct-24	
Rate	25.50%	↑ 0.10	25.40%	

Inflation Rate				
	Oct-24	% pts Δ	Sep-24	
Rate	32.4%	↓ -1.90	34.3%	

Malawi Stock Exchange (MSE) trading activity

The Malawi All Share Index (MASI) registered a gain of 2.00% to close the week at 156,078.77 points from 153,018.27 points in the previous. The market traded 63,171,245 shares at a consideration of K4.60b in 455 trades, compared to 36,057,544 shares traded at a consideration of K10.94b in 257 trades in the previous week. The year-to-date return on MASI stood at 40.67% as at the end of the week compared to 82.96% for the same period in 2023 (Source: MSE).

Stock market trading activity				
	22-Nov-24	% Δ	15-Nov-24	
MASI	156,078.77	↑ 2.00%	153,018.27	
DSI	123,173.42	↑ 2.22%	120,503.70	
FSI	20,059.00	↑ 0.34%	19,990.63	
Traded volume	63,171,245	↑ 75.20%	36,057,544	
Number of trades	455	↑ 77.04%	257	
Value of shares traded (K'm)	4,603.29	↓ -57.91%	10,935.98	
Market capitalisation (K'm)	8,425,022.71	↑ 1.99%	8,260,858.91	

Gainers				
	Closing price (K)	% Δ	Opening price (K)	
AIRTEL	79.14	↑ 14.70%	69.00	
FMBCH	400.00	↑ 0.35%	398.62	
ILLOVO	1,355.12	↑ 0.001%	1,355.10	
NBS	151.99	↑ 0.52%	151.21	
NICO	250.63	↑ 25.31%	200.01	
OMU	1950.01	↑ 0.001%	1950.00	
STANDARD	6000.07	↑ 0.001%	6000.01	

Losers				
	Closing price (K)	% Δ	Opening price (K)	
FDHB	148.66	↓ -0.12%	148.84	
ICON	15.78	↓ -0.06%	15.79	
NITL	409.67	↓ -0.07%	409.94	
PCL	2,499.79	↓ -0.001%	2,499.81	
TNM	26.01	↓ -1.70%	26.46	

Corporate news

- a) Blantyre Hotels Plc published a third announcement in relation to the fully underwritten renounceable rights offer of 5,038,504,230 ordinary shares ("Rights Shares") at a discounted issue price of K12.38 per share in the ratio of 6 Rights Shares for 1 existing ordinary share held (the "Rights Offer"). The company announced that all conditions precedent relating to underwriting agreements and the Rights Offer had been fulfilled, and that a prospectus providing comprehensive details of the Rights Offer would be dispatched to shareholders on or about 25 November 2024. It was further announced that shareholders would receive a printed Letter of Allocation (which includes a Form of Subscription Instructions) in respect of the renounceable (nil paid), and that for non-shareholders wishing to apply for BHL shares in the Rights Offer a BHL Share Application Form (for use by Non-Shareholders) had been provided both in manual and electronic forms. The offer opens on 25th November and closes on 6th December 2024 (Source: MSE).
- b) MPICO Plc published a cautionary statement announcing that there are on-going negotiations for the potential sale of up to 20.56% shareholding interest in the company by a substantial shareholder. Shareholders and the general public are therefore advised to exercise additional caution and to consult their professional advisors before dealing in MPICO shares (Source: MSE).

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