



**Foreign exchange market developments**

During the week, the Kwacha marginally appreciated against the USD but depreciated against the 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	24-Jan-25	% Δ	17-Jan-25
USD	1749.0100	↑ -0.05%	1749.8391
GBP	2231.3205	↓ 1.16%	2205.6781
EUR	1882.7207	↓ 1.47%	1855.5082
ZAR	97.8719	↓ 2.56%	95.4277

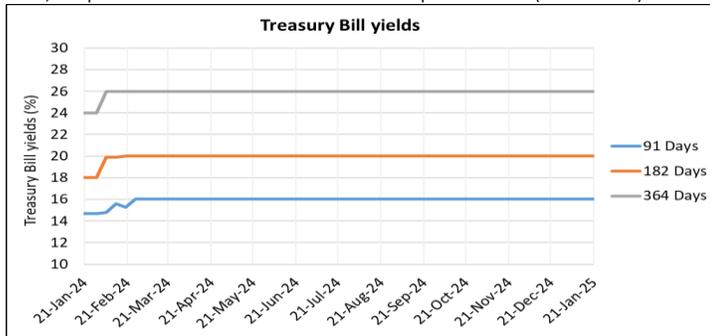
  

Foreign exchange reserves position			
	30-Nov-24	31-Oct-24	30-Sep-24
Total foreign exchange reserves			
(Aggregate of RBM, Banks & Total import cover (months)	516.90	519.00	560.30
	2.10	2.10	2.20

Data source: Reserve Bank of Malawi (RBM)

**Government securities**

The Government raised K24.98b from the auction of Treasury Bills and K75.18b from Treasury Notes and Bonds during the week. Maturities of Government securities for the week amounted to K81.59b, resulting in a net withdrawal of K18.57b from the market during the week, compared to a net withdrawal of K24.93b in the previous week (Source: RBM).



Treasury Bill auctions				
Auction date	21-Jan-25	% pts Δ	14-Jan-25	
Amount offered - cost value (K'm)	17,323.00	→ 0.00%	17,323.00	
Applied - cost value (K'm)	24,981.78	↓ -8.81%	27,396.75	
Allotted - cost value (K'm)	24,981.78	↓ -8.81%	27,396.75	
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	23-Jan-25	21-Jan-25	14-Jan-25	
Tenor	2-yr TN, 2-yr IDB, 3-yr TN, 3-yr IDB, 5-yr TN, 5-yr IDB, 7-yr TN, 10-yr TN	2-yr IDB	5-yr TN	
Coupon rate	10.0%, 11.0%, 11.0%, 12.0%, 12.5%, 13.5%, 13.5% & 15.0%	11.00%	12.50%	
Amount offered - cost value (K'b)		10.00	43.02	
Total applied - cost value (K'b)		38.13	2.67	
Total allotted - cost value (K'b)		38.13	2.67	
Allotted - weighted average ytm	28.75%, 28.75%, 30.00%, 30.00%, 32.00%, 32.00%, 34.00%, 35.00%	28.75%	32.00%	

Current yields for Treasury Notes and Bonds				
Tenor	Last auction's yield	Last auction	Next auction	
2-year TN	28.75%	23-Jan-25	04-Feb-25	
2-year Development Bond	28.75%	23-Jan-25	TBA	
3-year TN	30.00%	23-Jan-25	11-Feb-25	
3-year Development Bond	30.00%	23-Jan-25	25-Feb-25	
5-year TN	32.00%	23-Jan-25	04-Mar-25	
5-year Development Bond	32.00%	23-Jan-25	TBA	
7-year TN	34.00%	23-Jan-25	18-Feb-25	
7-year Development Bond	34.00%	07-Jan-25	TBA	
10-year TN	35.00%	23-Jan-25	28-Jan-25	
10-year Development Bond	35.00%	20-Jan-24	TBA	

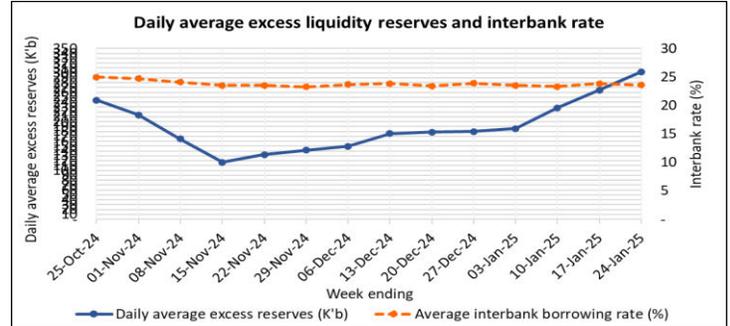
Upcoming auctions of Treasury Notes and Bonds			
Auction date	Tenor (years)	Amount (K'b)	Last auction's coupon rate
28-Jan-25	10	30.68	15.00%
04-Feb-25	2	46.02	10.00%
11-Feb-25	3	35.34	11.00%
18-Feb-25	7	21.36	13.50%
25-Feb-25	3-yr IDB	10.00	12.00%
04-Mar-25	5	40.02	12.50%
11-Mar-25	2	49.02	10.00%
18-Mar-25	3	43.02	11.00%
25-Mar-25	7	21.34	13.50%

Projected maturities			
Week ending	24-Jan-25	31-Jan-25	7-Feb-25
TBs, PNs & TNs (K'm)	81,592	5,732	47,848
OMO repos (K'm)	0	0	0
OMO reverse repos (K'm)	0	0	10,860

Data source: RBM

**Market liquidity and interbank market activity**

Average daily excess liquidity reserves increased to K302.47b during the week from K264.77b in the previous week. The average daily interbank borrowing decreased to K152.90b from K193.50b in the previous week. There was no borrowing on the Lombard facility during the week as was the case in the previous week. The average interbank borrowing rate decreased to 23.56% from 23.82% 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			
	Jan-25	% pts Δ	Dec-24
Rate	25.20%	↓ -0.10	25.30%

Inflation Rate			
	Dec-24	% pts Δ	Nov-24
Rate	28.1%	↑ 1.10	27.0%

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

The Malawi All Share Index (MASI) registered a gain of 8.71% to close the week at 205,667.01 points from 189,195.88 points in the previous. The market traded 3,786,479 shares at a consideration of K1.56b in 424 trades, compared to 6,023,426 shares traded at a consideration of K1.86b in 436 trades in the previous week. The year-to-date return on MASI stood at 19.55% at the end of the week, compared to 4.52% for the same period in 2024 (Source: MSE).

Stock market trading activity				
	24-Jan-25	% Δ	17-Jan-25	
MASI	205,667.01	↑ 8.71%	189,195.88	
DSI	161,281.10	↑ 9.99%	146,627.67	
FSI	27,742.43	↑ 0.01%	27,738.97	
Traded volume	3,786,479	↓ -37.14%	6,023,426	
Number of trades	424	↓ -2.75%	436	
Value of shares traded (K'm)	1,556.17	↓ -16.46%	1,862.84	
Market capitalisation (K'm)	11,178,468.35	↑ 8.57%	10,295,913.41	

Gainers				
	Closing price (K)	% Δ	Opening price (K)	
FDHB	199.55	↑ 34.59%	148.27	
FMBCH	555.08	↑ 0.01%	555.01	
ICON	18.05	↑ 0.06%	18.04	
IMPICO	19.00	↑ 2.54%	18.53	
NBM	5484.39	↑ 19.79%	4578.50	
NBS	349.98	↑ 12.30%	311.66	
NICO	419.03	↑ 0.01%	418.99	
NITL	440.01	↑ 0.002%	440.00	
SUNBIRD	276.12	↑ 15.00%	240.10	

Losers				
	Closing price (K)	% Δ	Opening price (K)	
AIRTEL	83.94	↓ -1.24%	84.99	
BHL	14.54	↓ -0.07%	14.55	
ILLOVO	1,355.08	↓ -0.001%	1,355.09	
TNM	19.99	↓ -2.44%	20.49	

Dividends announced					
Company	Dividend type	Dividend (K/share)	Ex-dividend date	Last day to register	Payment date
STANDARD	Interim declared	21.31	5-Feb-25	7-Feb-25	14-Feb-25
ILLOVO	Final proposed	5.00	TBA	TBA	TBA

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