



**Foreign exchange market developments**

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

Closing TT middle exchange rates as at the end of the week				
Currency	24-May-24		% Δ	17-May-24
USD	1749.8223	↓	0.05%	1748.9618
GBP	2279.9509	↓	0.17%	2276.1071
EUR	1941.0044	↑	-0.58%	1952.2825
ZAR	96.9050	↑	-1.40%	98.2781

Opening foreign exchange bureaux middle rates as at the end of the week				
Currency	30-Apr-24		% Δ	26-Apr-24
USD	1920.0417	→	0.00%	1920.0417
GBP	2436.4167	↓	0.14%	2432.8958
EUR	2093.5417	↓	0.05%	2092.5417
ZAR	102.4167	↓	0.35%	102.0625

Foreign exchange reserves position			
	30-Apr-24	31-Mar-24	29-Feb-24
Total foreign exchange reserves (Aggregate of RBM, Banks & FCDAs)	603.07	552.94	540.33
Total import cover (months)	2.41	2.21	2.16

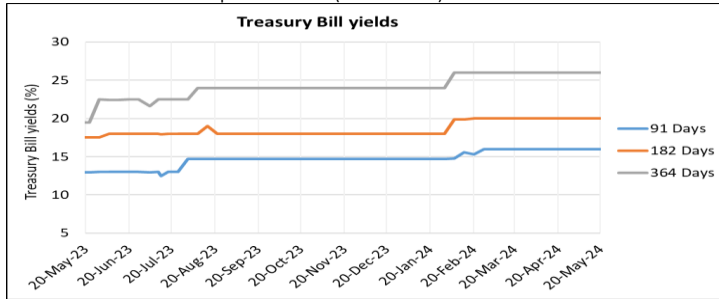
  

Cumulative tobacco sales as at the end of week 6			
Date	Week 6 2024 (24 May)	% Δ	Week 6 2023 (19 May)
Volume (million kg)	51.84	↑	32.96%
Value (USD/million)	144.00	↑	68.40%
Average price (USD/Kg)	2.78	↑	26.94%

Data source: Reserve Bank of Malawi (RBM)

**Government securities**

The Government raised K6.46b from auction of Treasury Bills and K0.39b from auction of Treasury Notes during the week. Maturities of Government securities for the week amounted to K30.05b, resulting in a net injection of K23.20b into the market, compared to a net withdrawal of K6.91b in the previous week (Source: RBM).



Treasury Bill auctions				
Auction date	21-May-24		% pts Δ	15-May-24
Amount offered - cost value (K'm)	14,399.00	→	0.00%	14,399.00
Applied - cost value (K'm)	6,460.39	↓	-34.11%	9,804.25
Allotted - cost value (K'm)	6,460.39	↓	-34.11%	9,804.25
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	21-May-24	20-May-24	15 & 17 May 2024	
Tenor	10-year IDB	3, 5 & 10	2, 3, 5 & 10	
Coupon rate	16.00%	11.00%, 12.50% & 15.00%	10.00%, 11.00%, 12.50% & 15.00%	
Amount offered - cost value (K'b)	3.95		K54.25b for the 3-yr TN	
Total applied - cost value (K'b)	0.27	0.12	8.26	
Total allotted - cost value (K'b)	0.27	0.12	8.24	
Allotted - weighted average ytm	30.00%, 32.00% & 35.00%	30.00%, 32.00% & 35.00%	28.75%, 30.00%, 32.00% & 35.00%	

Current yields for Treasury Notes and Bonds				
Tenor	Last auction's yield	Last auction	Next auction	
2-year TN	28.75%	17-May-24	04-Jun-24	
3-year TN	30.00%	20-May-24	25-Jun-24	
5-year TN	32.00%	20-May-24	18-Jun-24	
5-year Development Bond	28.00%	28-Nov-23	TBA	
7-year TN	34.00%	21-Mar-24	28-May-24	
7-year Development Bond	32.00%	16-Jan-24	TBA	
10-year TN	35.00%	20-May-24	TBA	
10-year Development Bond	23.35%	21-May-24	TBA	

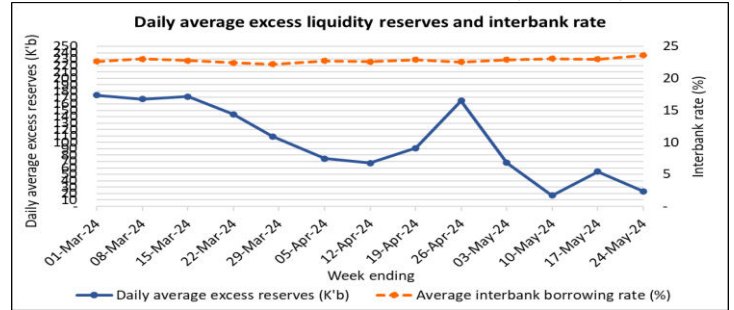
Upcoming auctions of Treasury Notes and Bonds			
Auction date	Tenor (years)	Amount (K'b)	Last auction's coupon rate
28-May-24	7	46.89	13.50%
04-Jun-24	2	59.52	10.00%
18-Jun-24	5	47.22	12.50%
25-Jun-24	3	54.51	11.00%

Projected maturities			
Week ending	24-May-24	31-May-24	7-Jun-24
TBs, PNs & TNs (K'm)	30,048	14,821	42,160
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 K23.55b during the week from K54.24b in the previous week. Daily average interbank borrowing increased to K52.15b from K39.78b. Borrowing on the Lombard facility averaged K96.77b per day during the week, compared to K96.50b per day in the previous week. The average interbank borrowing rate increased to 23.58% from 23.00%. The Lombard rate remained fixed at 26.20% (Source: RBM).



Policy Rate			
	03-Feb-24	% pts Δ	01-Feb-24
Rate	26.00%	→	26.00%

Market Reference Rate			
	May-24	% pts Δ	Apr-24
Rate	25.00%	↑	24.90%

Inflation Rate			
	Apr-24	% pts Δ	Mar-24
Rate	32.3%	↑	31.8%

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

The Malawi All Share Index (MASI) registered a gain of 0.47% to close the week at 114,231.25 points from 113,694.34 points in the previous. The market traded 30,652,189 shares at a consideration of K1.70b in 214 trades, compared to 2,652,129 shares traded at a consideration of K215.35b in 183 trades in the previous week. The year-to-date return on MASI stood at 2.96% as at the end of the week compared to 65.11% for the same period in 2023 (Source: MSE).

Stock market trading activity				
	24-May-24	% Δ	17-May-24	
MASI	114,231.25	↑	0.47%	113,694.34
DSI	86,756.60	↓	0.56%	86,277.30
FSI	19,012.49	↓	-0.01%	19,014.47
Traded volume	30,652,189	↑	1055.76%	2,652,129
Number of trades	214	↑	16.94%	183
Value of shares traded (K'm)	1,704.11	↑	691.32%	215.35
Market capitalisation (K'm)	6,177,983.10	↑	0.47%	6,149,218.05

Gainers			
	Closing price (K)	% Δ	Opening price (K)
AIRTEL	51.19	↑	51.15
MPICO	15.00	↑	14.84
NBM	2400.19	↑	2400.18
STANDARD	3950.33	↑	3950.30
TNM	15.00	↑	12.19

Losers			
	Closing price (K)	% Δ	Opening price (K)
FDHB	65.34	↓	65.36
FMBCH	380.00	↓	380.04
NBS	90.71	↓	90.72
NITL	411.48	↓	411.49
PCL	2506.98	↓	2506.99

**Corporate news**

Dividends announced					
Company	Dividend type	Dividend (K/share)	Ex-dividend date	Last day to register	Payment date
NICO	3rd interim declared	4.00	15-May-24	17-May-24	24-May-24
NBM	Final proposed	49.32	16-Jul-24	19-Jul-24	2-Aug-24
STANDARD	Final proposed	54.97	TBA	TBA	TBA
NITL	Final proposed	5.00	TBA	TBA	TBA
NBS	Final proposed	0.64	TBA	TBA	TBA
FDHB	Final proposed	1.02	TBA	TBA	TBA
AIRTEL	Final proposed	0.977	TBA	TBA	TBA
MPICO	Final proposed	0.38	TBA	TBA	TBA
ICON	Final proposed	0.14	TBA	TBA	TBA
SUNBIRD	Final proposed	5.70	TBA	TBA	TBA
PCL	Final proposed	37.00	TBA	TBA	TBA
NICO	Final proposed	2.00	TBA	TBA	TBA
FMBCH	Final proposed	0.43 cents	TBA	TBA	TBA

Annual general meetings			
Company	Venue	Date	Time
AIRTEL	Bingu International Conference Centre	31-May-24	10:00 hrs
NBM	Sunbird Mount Soche Hotel	27-Jun-24	14:00 hrs

Source: MSE

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