



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	27-Jun-25	% Δ	20-Jun-25
USD	1750.7604	↑ -0.002%	1750.7901
GBP	2454.9910	↓ 0.96%	2431.6911
EUR	2109.0327	↓ 1.62%	2075.4565
ZAR	101.0438	↓ 3.09%	98.0182

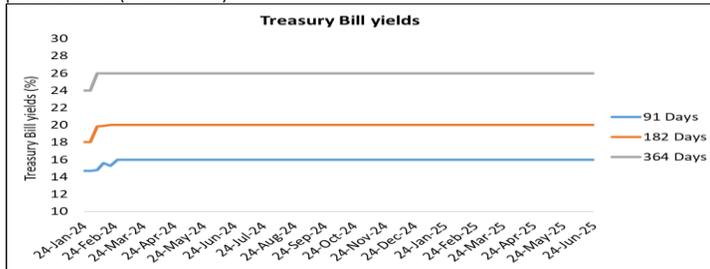
Foreign exchange reserves position			
	30-Apr-25	31-Mar-25	28-Feb-25
Total foreign exchange reserves (Aggregate of RBM, Banks & FCDAs)	530.00	536.00	569.50
Total import cover (months)	2.10	2.10	2.30

Cumulative tobacco sales as at the end of week 12			
Date	Week 12 2025 (27 June 2025)	% Δ	Week 12 2024 (5 July 2024)
Volume (million kg)	126.56	↑ 5.15%	120.36
Value (USD'million)	319.50	↓ -9.72%	353.88
Average price (USD/Kg)	2.52	↓ -14.29%	2.94

Data source: Reserve Bank of Malawi (RBM)

Government securities

The Government raised K32.54b from the auction of Treasury Bills, K14.84b from the auction of a 3-yr Development Bond and K144.09b from the auction of Treasury Notes during the week. Maturities of Government securities for the week amounted to K73.36b and maturities of OMO reverse repos amounted to K41.28b. These transactions resulted in a net withdrawal of K159.39b from the market during the week, compared to a net withdrawal of K5.64b in the previous week (Source: RBM).



Treasury Bill auctions			
Auction date	24-Jun-25	% pts Δ	17-Jun-25
Amount offered - cost value (K'm)	17,110.00	⇒ 0.00%	17,110.00
Applied - cost value (K'm)	32,536.34	↓ -24.16%	42,902.26
Alloted - cost value (K'm)	32,536.34	↓ -24.16%	42,902.26
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	24-Jun-25	24-Jun-25	
Tenor	3-yr IDB	2, 3, 5, 7 & 10-yr TNs	
Coupon rate	12.00%	10.0%, 11.0%, 12.5%, 13.5% & 15.0%	
Amount offered - cost value (K'b)	10.00		
Total applied - cost value (K'b)	14.84	144.09	
Total allotted - cost value (K'b)	14.84	144.09	
Allotted - weighted average ytm	30.00%	28.75%, 30.0%, 32.0%, 34.0% & 35.0%	

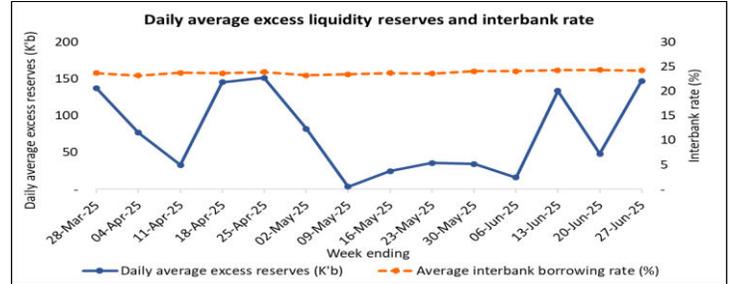
Current yields for Treasury Notes and Bonds			
Tenor	Last auction's yield	Last auction	Next auction
2-year TN	28.75%	24-Jun-25	TBA
2-year Development Bond	28.75%	20-May-25	TBA
3-year TN	30.00%	24-Jun-25	TBA
3-year Development Bond	30.00%	24-Jun-25	TBA
5-year TN	32.00%	24-Jun-25	TBA
5-year Development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

Projected maturities			
Week ending	27-Jun-25	4-Jul-25	11-Jul-25
TBs, PNs & TNs (K'm)	73,355	42,670	55,602
OMO repos (K'm)	0	0	0
OMO reverse repos (K'm)	41,283	78,512	26,563

Data source: RBM

Market liquidity and interbank market activity

During the week, daily excess liquidity reserves averaged K147.17b, increasing from an average of K48.20b in the previous week. The daily interbank borrowing averaged K88.20b during the week from K91.40b in the previous week. Borrowing on the Lombard facility amounted to K385.60b per day during the week, compared to K130.80b per day in the previous week. The average interbank borrowing rate marginally decreased to 24.23% from 24.33% in the previous week. The Lombard rate remained fixed at 26.20% (Source: RBM).



Policy Rate			
Rate	07-May-25	% pts Δ	30-Jan-25
	26.00%	⇒ 0.00	26.00%

Market Reference Rate			
Rate	Jun-25	% pts Δ	May-25
	25.10%	↓ -0.10	25.20%

Inflation Rate			
Rate	May-25	% pts Δ	Apr-25
	27.7%	↓ -1.50	29.2%

Malawi Stock Exchange (MSE) trading activity

The Malawi All Share Index (MASI) registered a gain of 4.07% to close the week at 319,540.44 points from 307,031.13 points in the previous week. The market traded 15,888,344 shares at a consideration of K10.77b in 1,011 trades, compared to 15,670,957 shares traded at a consideration of K10.19b in 733 trades in the previous week. The year-to-date return on MASI stood at 85.74% at the end of the week, compared to 9.14% for the same period in 2024 (Source: MSE).

Stock market trading activity					
	27-Jun-25	% Δ	20-Jun-25		
MASI	319,540.44	↑ 4.07%	307,031.13		
DSI	245,291.12	↑ 4.75%	234,160.24		
FSI	49,855.94	⇒ 0.00%	49,855.94		
Traded volume	15,888,344	↑ 1.39%	15,670,957		
Number of trades	1,011	↑ 37.93%	733		
Value of shares traded (K'm)	10,766.44	↑ 5.66%	10,189.37		
Market capitalisation (K'm)	17,385,218.21	↑ 4.04%	16,709,619.00		

Gainners	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
PCL	5,100.00	↑ 27.50%	3,999.98	9.48	1.76
TNM	26.40	↑ 14.58%	23.04	30.29	5.88
NBS	699.96	↑ 12.82%	620.42	27.91	18.17
FDHB	350.10	↑ 11.50%	314.00	32.62	24.80
NICO	865.00	↑ 2.46%	844.22	12.53	5.80
NITL	829.56	↑ 1.16%	820.04	3.76	1.52
BHL	14.55	↑ 0.34%	14.50	(62.42)	1.32
STANDARD	11009.21	↑ 0.09%	10999.54	29.91	9.94
MPICO	19.02	↑ 0.05%	19.01	5.12	0.67
NBM	6200.37	↑ 0.001%	6200.29	28.31	10.78

No movement	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
FMBCH	1000.04	⇒ 0.00%	1000.04	20.79	7.47
OMU	2,500.03	⇒ 0.00%	2,500.03	16.35	2.18
SUNBIRD	350.01	⇒ 0.00%	350.01	8.62	1.31

Losers	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
ILLOVO	1791.29	↓ -0.004%	1791.36	56.47	8.59
AIRTEL	127.43	↓ -0.10%	127.56	32.81	43.65
ICON	17.92	↓ -0.17%	17.95	4.90	0.82

Data source: MSE

Expected profit after tax for the half year ending 30 June 2025			
Company	Expected 2025 half year profit after tax	Expected change (%)	2024 half year profit after tax
NBS Bank Plc	Between K70.6b and K73.8b	An increase of between 116.6% and 126.4%	K32.6b
NICO Holdings Plc	Between K115b and K125b	An increase of between 135% and 155%	K49b
Telekom Networks Malawi Plc	Between K7.82b and K8.27b	An increase of between 246% and 266%	K2.26b
FDH Bank Plc	Between K57.8b and K60.8b	An increase of between 107% and 118%	K27.9b
ICON Properties plc	Between K11b and K13b	An increase of between 18% to 33%	K9.7b
Blantyre Hotels Plc	Between K3.35b and K3.51b	An increase of between 529% and 549%	Loss of K781m
Press Corporation Plc	Between K89.26b and K96.03b	An increase of between 97% and 112%	K45.28b
National Investment Trust Plc	Between K79.5b and K80.5b	An increase of between 1,742% and 1,765%	K4.32b

Disclaimer: The views expressed in this report are those of the author and are based on information believed but not warranted to be correct. Any views or information, whilst given in good faith, are not necessarily the views of CDH Investment Bank (CDHIB) and are given with an express disclaimer of responsibility and no right of action shall arise against the author, CDHIB, its directors or its employees either directly or indirectly out of any views, advice, or information. The information presented are for information purposes only and does not constitute and should not be construed as investment advice or recommendation. The statistics have been obtained from third party data sources. We believe these sources to be reliable but cannot guarantee their accuracy or completeness. Recipients of this report shall be solely responsible for making their own independent appraisal and investigation into all matters herein.