

Foreign exchange market developments

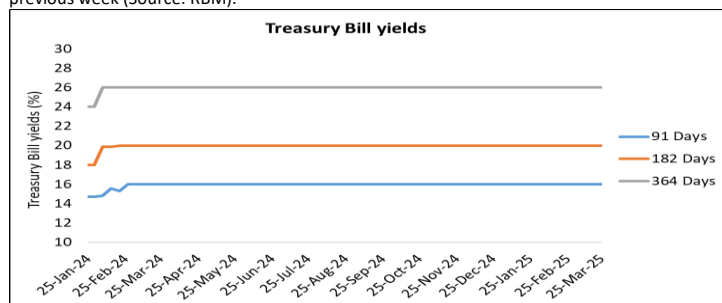
During the week, the Kwacha marginally appreciated against the USD, EUR and ZAR but depreciated against the GBP as indicated by TT middle exchange rates below (Source: RBM).

Closing TT middle exchange rates as at the end of the week				
Currency	28-Mar-25	% Δ	21-Mar-25	
USD	1750.2457	↑ -0.03%	1750.8178	
GBP	2329.6070	↓ 0.04%	2328.6278	
EUR	1945.3549	↑ -0.50%	1955.1570	
ZAR	98.1538	↑ -0.04%	98.1921	
Foreign exchange reserves position				
	31-Jan-25	31-Dec-24	30-Nov-24	
Total foreign exchange reserves (Aggregate of RBM, Banks & FCDAs)	570.60	530.90	516.90	
Total import cover (months)	2.30	2.10	2.10	

Data source: Reserve Bank of Malawi (RBM)

Government securities

The Government raised K47.24b from the auction of Treasury Bills and K266.33b of Treasury Notes during the week. RBM conducted OMO repos amounting to K40.00b during the week. Maturities of Government securities for the week amounted to K42.87b and maturities of OMO reverse repos amounted to K50.23b. These transactions resulted in a net withdrawal of K360.93b from the market during the week, compared to a net withdrawal of K17.64b in the previous week (Source: RBM).

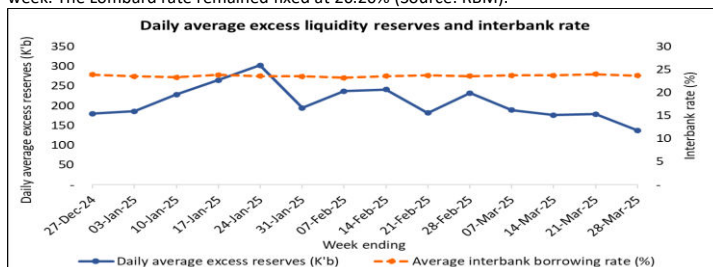


Treasury Bill auctions				
Auction date	25-Mar-25	% pts Δ	18 & 21 Mar 25	
Amount offered - cost value (K'm)	14,398.00	→ 0.00%	14,398.00	
Applied - cost value (K'm)	47,243.11	↓ -30.01%	67,500.13	
Allotted - cost value (K'm)	47,243.11	↓ -30.01%	67,500.13	
Overall rejection rate	0.00%	→ 0.00	0.00%	
91 days 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	25 & 27 Mar 25		18, 19 & 21 Mar 25	
Tenor	2, 3, 5, 7 & 10 years		2, 3, 5, 7 & 10 years	
Coupon rate	10.0%, 11.0%, 12.5%, 13.5% & 15.0%		10.0%, 11.0%, 12.5%, 13.5% & 15.0%	
Amount offered - cost value (K'b)	K21.34b for the 7-yr TN		K43.02b for the 3-yr TN	
Total applied - cost value (K'b)	266.33		29.13	
Total allotted - cost value (K'b)	266.33		29.13	
Allotted - weighted average ytm	28.75%, 30.0%, 32.0%, 34.0% & 35.0%		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%	27-Mar-25	TBA	
2-year Development Bond	28.75%	25-Feb-25	TBA	
3-year TN	30.00%	27-Mar-25	TBA	
3-year Development Bond	30.00%	10-Feb-25	TBA	
5-year TN	32.00%	27-Mar-25	TBA	
5-year Development Bond	32.00%	20-Feb-25	TBA	
7-year TN	34.00%	25-Mar-25	TBA	
7-year Development Bond	34.00%	07-Jan-25	TBA	
10-year TN	35.00%	27-Mar-25	TBA	
10-year Development Bond	35.00%	20-Jun-24	TBA	
Projected maturities				
Week ending	28-Mar-25	4-Apr-25	11-Apr-25	
TBs, PNs & TNs (K'm)	42,865	83,591	41,117	
OMO repos (K'm)	0	0	20,201	
OMO reverse repos (K'm)	50,230	31,332	20,937	

Data source: RBM

Market liquidity and interbank market activity

During the week, daily excess liquidity reserves averaged K137.21b, decreasing from an average of K178.78b in the previous week. The daily interbank borrowing averaged K66.80b during the week from K79.58b in the previous week. Borrowing on the Lombard facility averaged K115.20b per day during the week, compared to K88.40b per day in the previous week. The average interbank borrowing rate decreased to 23.68% from 23.99% in the previous week. The Lombard rate remained fixed at 26.20% (Source: RBM).



Policy Rate			
	30-Jan-25	% pts Δ	04-Nov-24
Rate	26.00%	→ 0.00	26.00%
Market Reference Rate			
	Mar-25	% pts Δ	Feb-25
Rate	25.10%	→ 0.00	25.10%
Inflation Rate			
	Feb-25	% pts Δ	Jan-25
Rate	30.7%	↑ 2.20	28.5%

Malawi Stock Exchange (MSE) trading activity

The Malawi All Share Index (MASI) registered a loss of 0.14% to close the week at 291,644.54 points from 292,056.37 points in the previous. The market traded 6,206,493 shares at a consideration of K3.15b in 891 trades, compared to 14,974,516 shares traded at a consideration of K7.01b in 646 trades in the previous week. The year-to-date return on MASI stood at 69.52% at the end of the week, compared to 2.96% for the same period in 2024 (Source: MSE).

Stock market trading activity					
	28-Mar-25	% Δ	14-Mar-25		
MASI	291,644.54	↓ -0.14%	292,056.37		
DSI	205,607.20	↑ 0.35%	204,897.85		
FSI	68,836.03	↓ -1.96%	70,209.91		
Traded volume	6,206,493	↓ -58.55%	14,974,516		
Number of trades	891	↑ 37.93%	646		
Value of shares traded (K'm)	3,154.13	↓ -55.01%	7,011.42		
Market capitalisation (K'm)	15,891,332.02	↓ -0.16%	15,916,731.86		
Gainers					
	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
PCL	2,875.01	↑ 14.99%	2,500.19	8.55	1.31
AIRTEL	128.24	↑ 0.15%	128.05	(91.46)	(133.00)
NITL	634.98	↑ 0.14%	634.09	2.88	1.16
STANDARD	7941.08	↑ 0.08%	7935.07	21.58	7.17
BHL	14.55	↑ 0.07%	14.54	(107.89)	12.42
ICON	17.95	↑ 0.06%	17.94	6.26	0.99
SUNBIRD	300.14	↑ 0.04%	300.03	14.95	1.62
No movement					
	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
MPICO	19.00	→ 0.00%	19.00	7.98	0.76
OMU	1,950.03	→ 0.00%	1,950.03	25.84	2.32
Losers					
	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
NBM	6200.10	↓ -0.0002%	6200.11	40.07	14.02
ILLOVO	1791.64	↓ -0.003%	1791.69	56.48	8.59
FDHB	315.19	↓ -0.003%	315.20	29.37	22.33
NICO	776.87	↓ -0.28%	779.02	26.06	8.90
TNM	24.93	↓ -0.28%	25.00	(52.59)	5.99
NBS	347.97	↓ -0.28%	348.95	34.47	20.25
FMBCH	1384.50	↓ -1.96%	1412.23	56.45	14.71

Corporate news

Published annual financial results				
Company	2024 profit after tax (K'b)	Movement	2023 profit after tax (K'b)	
Listed banks				
FDH Bank Plc	74.063	↑	108%	35.647
Standard Bank Plc	86.365	↑	64%	52.520
Listed non-bank companies				
Illovo Sugar Plc	22.632	↓	-60%	56.758
National Investment Trust Plc	29.759	↑	38%	21.505

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