



Foreign exchange market developments

During the week, the Kwacha was stable against the USD but depreciated against 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	29-Nov-24	% Δ	22-Nov-24	
USD	1750.1127	↑ -0.0003%	1750.1177	
GBP	2290.9419	↓ 1.16%	2264.7764	
EUR	1904.4037	↓ 0.99%	1885.6921	
ZAR	99.2909	↓ 0.04%	99.2473	

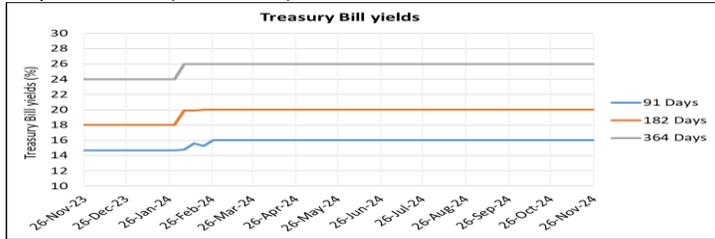
Opening foreign exchange bureaux middle rates as at the end of the week				
Currency	16-Oct-24	% Δ	11-Oct-24	
USD	1931.6900	↑ -0.0001%	1931.6913	
GBP	2527.7356	↑ -0.05%	2528.9204	
EUR	2141.5365	↑ -0.17%	2145.1925	
ZAR	108.3275	↓ 0.23%	108.0769	

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 K542.23m from auction of Treasury Bills and K33.94b from auction of Treasury Notes and Development Bonds during the week. There were OMO reverse repos amounting to K25.00b during the week. Maturities of Government securities for the week amounted to K11.93b and maturities of OMO reverse repos amounted to K47.27b. These transactions resulted in a net withdrawal of K44.82b from the market compared to a net injection of K1.25b in the previous week (Source: RBM).



Treasury Bill auctions				
Auction date	26-Nov-24	% pts Δ	19-Nov-24	
Amount offered - cost value (K'm)	12,420.00	↑ 0.00%	12,420.00	
Applied - cost value (K'm)	642.48	↓ -82.93%	3,763.01	
Allotted - cost value (K'm)	542.23	↓ -85.59%	3,763.01	
Overall rejection rate	15.60%	↑ 15.60	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	28-Nov-24	26-Nov-24	19-Nov-24	
Tenor	2-yr IDB, 3-yr IDB, 5-yr TN, 7-yr TN & 10-yr TN	2-yr IDB	5-yr TN	
Coupon rate	11.00%, 12.00%, 12.5%, 13.50% & 15.00%	11.00%	12.50%	
Amount offered - cost value (K'b)		20.00	30.08	
Total applied - cost value (K'b)	25.26	8.68	10.94	
Total allotted - cost value (K'b)	25.26	8.68	9.90	
Allotted - weighted average ytm	28.75%, 30.00%, 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%	15-Nov-24	10-Dec-24	
2-year Development Bond	28.75%	28-Nov-24	TBA	
3-year TN	30.00%	15-Nov-24	17-Dec-24	
3-year Development Bond	30.00%	28-Nov-24	TBA	
5-year TN	32.00%	28-Nov-24	TBA	
5-year Development Bond	28.00%	28-Nov-23	31-Dec-24	
7-year TN	34.00%	28-Nov-24	03-Dec-24	
7-Year Development Bond	34.00%	20-Sep-24	TBA	
10-year TN	35.00%	28-Nov-24	TBA	
10-year Development Bond	35.00%	20-Jun-24	TBA	

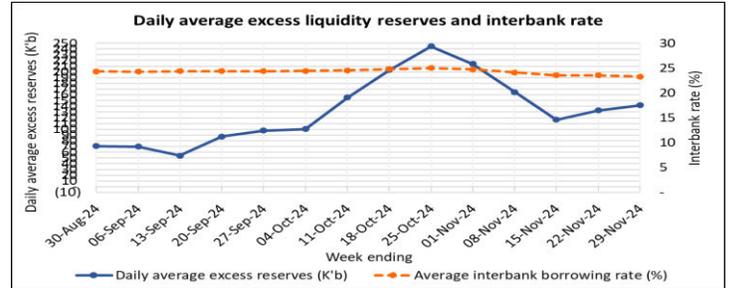
Upcoming auctions of Treasury Notes and Bonds				
Auction date	Tenor (years)	Amount (K'b)	Last auction's coupon rate	
03-Dec-24	7-yr TN	27.61	13.50%	
10-Dec-24	2-yr TN	42.05	10.00%	
17-Dec-24	3-yr TN	37.54	11.00%	
31-Dec-24	5-yr IDB	10.00	13.50%	

Projected maturities				
Week ending	29-Nov-24	6-Dec-24	13-Dec-24	
TBs, PNs & TNs (K'm)	11,926	80,153	3,186	
OMO repos (K'm)	0	0	0	
OMO reverse repos (K'm)	47,266	0	10,984	

Data source: RBM

Market liquidity and interbank market activity

Average daily excess liquidity reserves increased to K141.66b during the week from K132.73b in the previous week. Daily average interbank borrowing increased to K87.18b from K54.20b in the previous week. Borrowing on the Lombard facility amounted to K14.50 compared to no borrowing in the previous week. The average interbank borrowing rate decreased to 23.28% from 23.53% 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 4.56% to close the week at 163,189.14 points from 156,078.77 points in the previous. The market traded 501,205,051 shares at a consideration of K17.05b in 475 trades, compared to 63,171,245 shares traded at a consideration of K4.60b in 455 trades in the previous week. The year-to-date return on MASI stood at 47.08% as at the end of the week compared to 82.43% for the same period in 2023 (Source: MSE).

Stock market trading activity				
	29-Nov-24	% Δ	22-Nov-24	
MASI	163,189.14	↑ 4.56%	156,078.77	
DSI	127,560.53	↑ 3.56%	123,173.42	
FSI	22,536.25	↑ 12.35%	20,059.00	
Traded volume	501,205,051	↑ 693.41%	63,171,245	
Number of trades	475	↑ 4.40%	455	
Value of shares traded (K'm)	17,046.51	↑ 270.31%	4,603.29	
Market capitalisation (K'm)	8,813,955.18	↑ 4.62%	8,425,022.71	

Gainers				
	Closing price (K)	% Δ	Opening price (K)	
AIRTEL	97.24	↑ 22.87%	79.14	
FMBCH	450.00	↑ 12.50%	400.00	
ICON	18.05	↑ 14.39%	15.78	
MPICO	18.52	↑ 24.97%	14.82	
NICO	287.02	↑ 14.52%	250.63	
NITL	440.00	↑ 7.40%	409.67	
STANDARD	6000.09	↑ 0.0003%	6000.07	

Losers				
	Closing price (K)	% Δ	Opening price (K)	
FDHB	148.62	↓ -0.03%	148.66	
ILLOVO	1,355.09	↓ -0.002%	1,355.12	
NBS	151.98	↓ -0.01%	151.99	
PCL	2,499.78	↓ -0.0004%	2,499.79	
TNM	25.98	↓ -0.12%	26.01	

Corporate news

MPICO Plc announced a substantial acquisition involving the purchase of a substantial shareholding of 17.58% in the Company by the Public Service Pension Trust Fund from Old Mutual (Malawi) Limited on 28th November 2024 via a trade on the MSE at a consideration of K7.48 billion. Following the acquisition, the new shareholding structure of MPICO is as follows: Old Mutual Life Assurance Company (Malawi) Limited (42.98%), Public Service Pension Trust Fund (19.46%), Old Mutual (Malawi) Limited (11.00%), Lincoln Investments Limited (5.01%), and General Public (21.55%) (Source: MSE).

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