

## Foreign exchange market developments

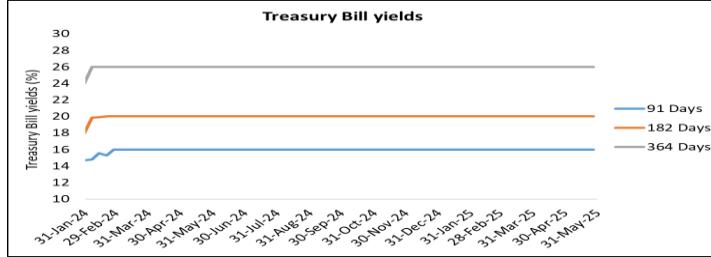
During the week, the Kwacha marginally appreciated against the USD but depreciated against the GBP, EUR and ZAR, as indicated by TT middle exchange rates below (Source: RBM).

Closing TT middle exchange rates as at the end of the week			
Currency	30-May-25	% Δ	23-May-25
USD	1750.6742	↑ -0.004%	1750.7375
GBP	2415.6460	↑ -0.42%	2425.9540
EUR	2045.9753	↓ -0.29%	2040.0448
ZAR	100.7646	↓ -0.31%	100.4577
Foreign exchange reserves position			
	31-Mar-25	28-Feb-25	31-Jan-25
Total foreign exchange reserves (Aggregate of month)	536.00	569.50	570.60
Total import cover (month)	2.10	2.30	2.30
Cumulative tobacco sales as at the end of week 8			
Date	Week 8 2025 (30 May 2025)	% Δ	Week 8 2024 (7 June 2024)
Volume (million kg)	72.74	↓ -5.39%	76.88
Value (USD'million)	178.41	↓ -18.43%	218.73
Average price (USD/Kg)	2.45	↓ -14.04%	2.85

Data source: Reserve Bank of Malawi (RBM)

## Government securities

The Government raised K5.34b from the auction of Treasury Bills and K11.52b from the auction of a 7-year Treasury Note. Maturities of Government securities for the week amounted to K6.89b and maturities of OMO reverse repos amounted to K29.49b. These transactions resulted in a net withdrawal of K39.46b from the market during the week, compared to a net withdrawal of K8.10b in the previous week (Source: RBM).

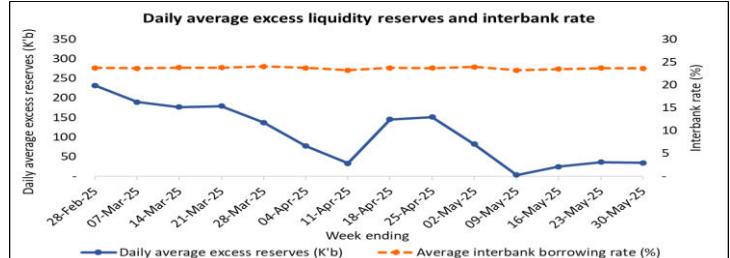


Treasury Bill auctions			
Auction date	27-May-25	% pts Δ	20-May-25
Amount offered -cost value (K'm)	19,285.00	↗ 0.00%	19,285.00
Applied - cost value (K'm)	5,335.84	↓ -50.50%	10,779.78
Allotted - cost value (K'm)	5,335.84	↓ -50.50%	10,779.78
Overall rejection rate	0.00%	↗ 0.00	0.00%
91 days yield	16.0000%	↗ 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	27-May-25	20-May-25	06-May-25
Tenor	7-yr TN	2-yr IDB	3-yr TN
Coupon rate	13.50%	11.00%	0.11
Amount offered -cost value (K'b)	63.40	10.00	77.136
Total applied - cost value (K'b)	11.52	11.91	15.55
Total allotted - cost value (K'b)	11.52	11.91	15.55
Allotted - weighted average ytm	34.00%	28.75%	30.00%
Current yields for Treasury Notes and Bonds			
Tenor	Last auction's yield	Last auction	Next auction
2-year TN	28.75%	15-Apr-25	03-Jun-25
2-year Development Bond	28.75%	20-May-25	TBA
3-year TN	30.00%	06-May-25	TBA
3-year Development Bond	30.00%	10-Feb-25	24-Jun-25
5-year TN	32.00%	22-Apr-25	17-Jun-25
5-year Development Bond	32.00%	20-Feb-25	TBA
7-year TN	34.00%	27-May-25	TBA
7-Year Development Bond	34.00%	07-Jan-25	TBA
10-year TN	35.00%	08-Apr-25	10-Jun-25
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-Jun-25	2	84.71	10.00%
10-Jun-25	10	55.70	15.00%
17-Jun-25	5	68.95	12.50%
24-Jun-25	3 IDB	10.00	12.00%
Projected maturities			
Week ending	30-May-25	6-Jun-25	13-Jun-25
TBs, PNs & TNs (K'm)	6,890	29,401	44,271
OMO repos (K'm)	0	45,898	0
OMO reverse repos (K'm)	29,488	11,795	0

Data source: RBM

## Market liquidity and interbank market activity

During the week, daily excess liquidity reserves averaged K34.30b, decreasing from an average of K35.84b in the previous week. The daily interbank borrowing averaged K65.85b during the week from K58.45b in the previous week. Borrowing on the Lombard facility averaged K109.30b per day during the week, compared to K134.30b per day in the previous week. The average interbank borrowing rate increased to 24.05% from 23.59% in the previous week. The Lombard rate remained fixed at 26.20% (Source: RBM).



Policy Rate			
	07-May-25	% pts Δ	30-Jan-25
Rate	26.00%	↗ 0.00	26.00%
Market Reference Rate			
	May-25	% pts Δ	Apr-25
Rate	25.20%	↑ 0.10	25.10%
Inflation Rate			
	Apr-25	% pts Δ	Mar-25
Rate	29.2%	↓ -1.30	30.5%

## Malawi Stock Exchange (MSE) trading activity

The Malawi All Share Index (MASI) registered a loss of 0.05% to close the week at 283,146.74 points from 283,288.66 points in the previous. The market traded 80,360,977 shares at a consideration of K72.54b in 754 trades, compared to 48,339,768 shares traded at a consideration of K15.80b in 696 trades in the previous week. The year-to-date return on MASI stood at 64.58% at the end of the week, compared to 2.96% for the same period in 2024 (Source: MSE).

Stock market trading activity					
	30-May-25	% Δ	23-May-25		
MASI	283,146.74	↓ -0.05%	283,288.66		
DSI	213,341.45	↓ -0.04%	213,431.25		
FSI	49,302.03	↓ -0.09%	49,348.60		
Traded volume	80,360,977	↑ 66.24%	48,339,768		
Number of trades	754	↑ 8.33%	696		
Value of shares traded (K'm)	72,542.22	↑ 359.18%	15,798.07		
Market capitalisation (K'm)	15,428,635.22	↓ -0.05%	15,436,333.53		
Gainers					
	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/B ratio
SUNBIRD	350.01	↑ 1.45%	345.01	8.62	1.31
BHL	14.56	↑ 0.07%	14.55	(62.47)	1.32
STANDARD	9510.00	↑ 0.06%	9504.71	25.84	8.59
NITL	715.22	↑ 0.01%	715.16	3.24	1.31
No movement					
	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/B ratio
AIRTEL	127.95	↗ 0.00%	127.95	32.94	43.82
ICON	17.95	↗ 0.00%	17.95	4.91	0.82
MPICO	19.00	↗ 0.00%	19.00	5.11	0.67
OMU	2,500.03	↗ 0.00%	2,500.03	16.35	2.18
Losers					
	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/B ratio
PCL	3,999.97	↓ -0.003%	3,999.98	7.44	1.38
NBM	6200.12	↓ -0.003%	6200.14	28.30	10.78
ILLOVO	1791.39	↓ -0.02%	1791.42	56.47	8.59
NICO	776.41	↓ -0.03%	776.43	11.25	5.20
TNM	22.98	↓ -0.09%	23.00	26.36	5.11
FMBCH	988.86	↓ -0.09%	989.80	20.58	7.39
FDHB	313.59	↓ -0.11%	313.92	29.22	22.22
NBS	338.65	↓ -0.55%	340.52	13.50	8.79

Data source: MSE

Dividends announced					
Company	Dividend type	Dividend (K/share)	Ex-dividend date	Last day to register	Payment date
MPICO	Final proposed	0.43	16-Jul-25	18-Jul-25	25-Jul-25
ILLOVO	Interim declared	3.50	TBA	TBA	TBA
STANDARD	Final proposed	70.31	TBA	TBA	TBA
FDHB	Final declared	0.66	TBA	TBA	TBA
NITL	Final proposed	4.30	TBA	TBA	TBA
NBM	Final proposed	61.25	TBA	TBA	TBA
NICO	Final proposed	4.00	TBA	TBA	TBA
ICON	Final proposed	0.15	TBA	TBA	TBA
SUNBIRD	Final proposed	10.50	TBA	TBA	TBA
AIRTEL	Final proposed	2.00	TBA	TBA	TBA

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