

Foreign exchange market developments

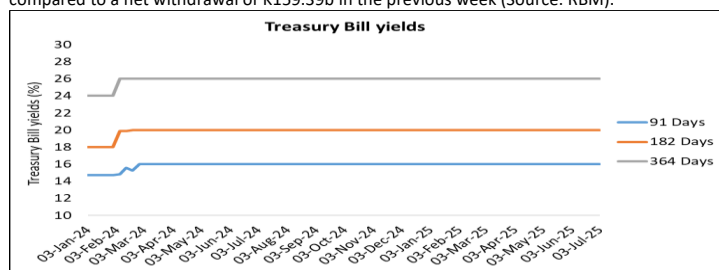
During the week, the Kwacha depreciated against the USD, GBP, EUR and ZAR as indicated by TT middle exchange rates below (Source: RBM).

Closing TT middle exchange rates as at the end of the week			
Currency	4-Jul-25	% Δ	27-Jun-25
USD	1750.9845	↓ 0.013%	1750.7604
GBP	2460.7561	↓ 0.23%	2454.9910
EUR	2121.9754	↓ 0.61%	2109.0327
ZAR	102.7666	↓ 1.71%	101.0438
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 13			
Date	Week 13 2025 (4 July 2025)	% Δ	Week 13 2024 (12 July 2024)
Volume (million kg)	138.68	↑ 10.04%	126.03
Value (USD'million)	351.21	↓ -5.76%	372.67
Average price (USD/Kg)	2.53	↓ -14.53%	2.96

Data source: Reserve Bank of Malawi (RBM)

Government securities

The Government raised K61.75b from the auction of Treasury Bills and K11.83b from the auction of Treasury Notes during the week. The Reserve Bank of Malawi conducted OMO reverse repos amounting to K40.00b during the week. Maturities of Government securities for the week amounted to K42.67b and maturities of OMO reverse repos amounted to K78.51b. These transactions resulted in a net withdrawal of K69.42b from the market during the week, compared to a net withdrawal of K159.39b in the previous week (Source: RBM).



Treasury Bill auctions			
Auction date	1 & 3 Jul 25	% pts Δ	24-Jun-25
Amount offered - cost value (K'm)	17,110.00	↓ 0.00%	17,110.00
Applied - cost value (K'm)	61,748.62	↑ 89.78%	32,536.34
Allotted - cost value (K'm)	61,748.62	↑ 89.78%	32,536.34
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%

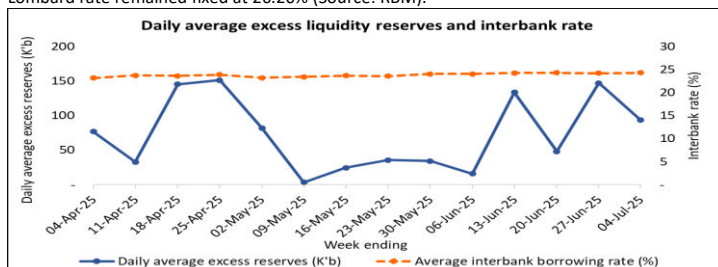
Treasury Note and Bond auctions			
Auction dates	3-Jul-25	24-Jun-25	24-Jun-25
Tenor	2, 3, 5 & 10-yr TNs	3-yr IDB	2, 3, 5, 7 & 10-yr TNs
Coupon rate	10.0%, 11.0%, 12.5% & 15.0%	0.12	10.0%, 11.0%, 12.5%, 13.5% & 15.0%
Amount offered - cost value (K'b)	10.00	10.00	10.00
Total applied - cost value (K'b)	11.83	14.84	144.09
Total allotted - cost value (K'b)	11.83	14.84	144.09
Allotted - weighted average ytm	28.75%, 30.0%, 32.0% & 35.0%	0.3	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%	03-Jul-25	TBA
2-year Development Bond	28.75%	20-May-25	TBA
3-year TN	30.00%	03-Jul-25	TBA
3-year Development Bond	30.00%	24-Jun-25	TBA
5-year TN	32.00%	03-Jul-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%	03-Jul-25	TBA
10-year Development Bond	35.00%	20-Jun-24	TBA
Projected maturities			
Week ending	4-Jul-25	11-Jul-25	18-Jul-25
TBs, PNs & TNs (K'm)	42,670	55,602	28,219
OMO repos (K'm)	0	0	0
OMO reverse repos (K'm)	78,512	26,563	15,711

Data source: RBM

Market liquidity and interbank market activity

During the week, daily excess liquidity reserves averaged K93.36b, decreasing from an average of K147.17b in the previous week. The daily interbank borrowing averaged K55.30b during the week from K88.20b in the previous week. Borrowing on the Lombard facility averaged K82.60b per day during the week, compared to K77.12b per day in the previous week. The average interbank borrowing rate increased to 24.32% from 24.23% 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	Jul-25	% pts Δ	Jun-25
	25.30%	↑ 0.20	25.10%
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 4.25% to close the week at 333,128.04 points from 319,540.44 points in the previous week. The market traded 16,722,935 shares at a consideration of K10.09b in 963 trades, compared to 15,888,344 shares traded at a consideration of K10.77b in 1,011 trades in the previous week. The year-to-date return on MASI stood at 93.63% at the end of the week, compared to 10.31% for the same period in 2024 (Source: MSE).

Stock market trading activity					
	04-Jul-25	% Δ	27-Jun-25		
MASI	333,128.04	↑ 4.25%	319,540.44		
DSI	249,636.05	↑ 1.77%	245,291.12		
FSI	59,747.60	↑ 19.84%	49,855.94		
Traded volume	16,722,935	↑ 5.25%	15,888,344		
Number of trades	963	↓ -4.75%	1011		
Value of shares traded (K'm)	10,093.15	↓ -6.25%	10,766.44		
Market capitalisation (K'm)	18,142,012.46	↑ 4.35%	17,385,218.21		
Gainers					
	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
FMBCH	1199.69	↑ 19.96%	1000.04	24.94	8.96
TNM	29.30	↑ 10.98%	26.40	33.61	6.52
STANDARD	12000.00	↑ 9.00%	11009.21	32.61	10.84
NITL	830.02	↑ 0.06%	829.56	3.77	1.52
FDHB	350.19	↑ 0.03%	350.10	32.63	24.81
NBM	6200.45	↑ 0.001%	6200.37	28.31	10.78
No movement					
	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
BHL	14.55	→ 0.00%	14.55	(62.42)	1.32
ICON	17.92	→ 0.00%	17.92	4.90	0.82
MPICO	19.02	→ 0.00%	19.02	5.12	0.67
NICO	865.00	→ 0.00%	865.00	12.53	5.80
OMU	2,500.03	→ 0.00%	2,500.03	16.35	2.18
PCL	5,100.00	→ 0.00%	5,100.00	9.48	1.76
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	1791.24	↓ -0.003%	1791.29	56.47	8.59
AIRTEL	127.41	↓ -0.02%	127.43	32.81	43.64
NBS	699.81	↓ -0.02%	699.96	27.91	18.17

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
MPICO Plc	Between K7.18b and K7.99b	An increase of between 26% and 40%	K5.7b
National Bank of Malawi Plc	Between K77.90b and K84.12b	An increase of between 85% and 100%	K42.07b

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