

Foreign exchange market developments

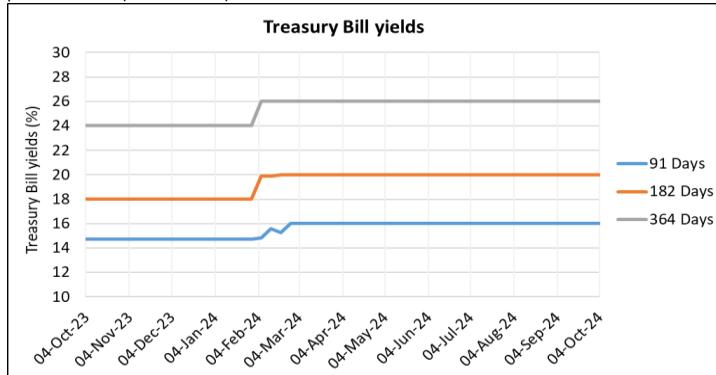
During the week the Kwacha appreciated against all the major trading currencies, as indicated by TT middle exchange rates below (Source: RBM).

Closing TT middle exchange rates as at the end of the week			
Currency	4-Oct-24	% Δ	27-Sep-24
USD	1749.8202	▲ -0.03%	1750.4289
GBP	2371.3400	▲ -1.53%	2408.2171
EUR	1993.0359	▲ -0.97%	2012.4651
ZAR	102.9450	▲ -1.01%	103.9945
Opening foreign exchange bureaux middle rates as at the end of the week			
Currency	4-Oct-24	% Δ	24-Sep-24
USD	1931.2733	▼ 0.12%	1929.0442
GBP	2529.7246	▼ 0.68%	2512.5954
EUR	2147.3085	▼ 0.30%	2140.8823
ZAR	108.0544	▼ 1.19%	106.7794
Foreign exchange reserves position			
	31-Aug-24	31-Jul-24	30-Jun-24
Total foreign exchange reserves			
(Aggregate of RBM, Banks & Central Bank)	549.85	572.02	591.51
Total import cover (months)	2.20	2.29	2.37

Data source: Reserve Bank of Malawi (RBM)

Government securities

The Government raised K35.19b from auction of Treasury Bills and K176.58b from auction of Treasury Notes during the week. The RBM conducted OMO repos amounting to K12.00b during the week. Maturities of Government securities for the week amounted to K28.03b and maturities of OMO reverse repos amounted to K10.05b. These transactions resulted in a net withdrawal of K205.79b from the market, compared to a net withdrawal of K53.53b in the previous week (Source: RBM).

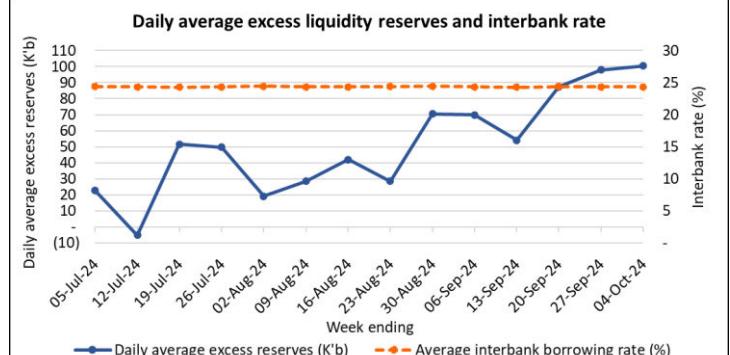


Treasury Bill auctions			
Auction date	1 & 4 Oct 24	% pts Δ	24-Sep-24
Amount offered - cost value (K'm)		▼ 100.00%	11,017.00
Applied - cost value (K'm)	35,192.31	▲ 132.87%	15,112.60
Allotted - cost value (K'm)	35,192.31	▲ 132.87%	15,112.60
Overall rejection rate	0.00%	▼ 0.00	0.00%
91 days yield	16.0000%	▼ 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	4-Oct-24	24-Sep-24	16, 17 & 20 Sep 24
Tenor	2, 3, 5 & 10-yr TNs	3-yr TN	2-yr TN, 3-yr TN, 5-yr TN, 7-yr TN, 7-yr DB & 10-yr TN
Coupon rate	10.00%, 11.00%, 12.50% & 15.00%	11.00%	10.00%, 11.00%, 12.50%, 13.50%, 14.50% & 15.00%
Amount offered - cost value (K'b)		49.12	K45.20b for the 5-yr TN
Total applied - cost value (K'b)	176.58	3.61	112.26
Total allotted - cost value (K'b)	176.58	3.61	112.26
Allotted - weighted average ytm	28.75%, 30.00%, 32.00% & 35.00%	30.00%	28.75%, 30.00%, 32.00%, 34.00% & 35.00%
Current yields for Treasury Notes and Bonds			
Tenor	Last auction's yield	Last auction	Next auction
2-year TN	28.75%	04-Oct-24	TBA
3-year TN	30.00%	04-Oct-24	TBA
5-year TN	32.00%	04-Oct-24	TBA
5-year Development Bond	28.00%	28-Nov-23	TBA
7-year TN	34.00%	16-Sep-24	TBA
7-Year Development Bond	34.00%	20-Sep-24	TBA
10-year TN	35.00%	04-Oct-24	TBA
10-year Development Bond	35.00%	20-Jun-24	TBA
Projected maturities			
Week ending	4-Oct-24	11-Oct-24	18-Oct-24
TBs, PNs & TNs (K'm)	28,034	5,272	19,268
OMO repos (K'm)	10,050	31,289	0
OMO reverse repos (K'm)	0	0	0

Data source: RBM

Market liquidity and interbank market activity

Average daily excess liquidity reserves increased to K100.39b during the week from K97.90b in the previous week. Daily average interbank borrowing decreased to K44.40b from K47.30b. Borrowing on the Lombard facility amounted to K23.00b during the week compared to no borrowing in the previous week. The average interbank borrowing rate increased to 24.44% from 24.36% in the previous week. The Lombard rate remained fixed at 26.20% (Source: RBM).



Policy Rate			
	25-Jul-24	% pts Δ	03-May-24
Rate	26.00%	→ 0.00	26.00%
Market Reference Rate			
	Oct-24	% pts Δ	Sep-24
Rate	25.40%	→ 0.00	25.40%
Inflation Rate			
	Aug-24	% pts Δ	Jul-24
Rate	33.9%	▲ 0.20	33.7%

Malawi Stock Exchange (MSE) trading activity

The Malawi All Share Index (MASI) registered a gain of 0.71% to close the week at 143,705.95 points from 142,686.97 points in the previous. The market traded 36,502,182 shares at a consideration of K5.77b in 299 trades, compared to 27,615,925 shares traded at a consideration of K3.86b in 288 trades in the previous week. The year-to-date return on MASI stood at 29.52% as at the end of the week compared to 92.13% for the same period in 2023 (Source: MSE).

Stock market trading activity			
	04-Oct-24	% Δ	27-Sep-24
MASI	143,705.95	▲ 0.71%	142,686.97
DSI	112,224.10	▲ 0.82%	111,316.63
FSI	19,982.23	▼ -0.05%	19,983.22
Traded volume	36,502,182	▲ 32.18%	27,615,925
Number of trades	299	▲ 3.82%	288
Value of shares traded (K'm)	5,770.93	▲ 49.37%	3,863.61
Market capitalisation (K'm)	7,761,921.48	▲ 0.69%	7,708,623.90
Gainers			
	Closing price (K)	% Δ	Opening price (K)
AIRTEL	50.02	▲ 11.23%	44.97
OMU	1,866.01	▲ 0.001%	1,866.00
STANDARD	5,335.09	▲ 0.001%	5,335.06
TNM	18.50	▲ 0.05%	18.49
Losers			
	Closing price (K)	% Δ	Opening price (K)
FDHB	149.15	▼ -0.06%	149.24
FMBCH	398.66	▼ -0.01%	398.68
ILLOVO	1,300.00	▼ -0.16%	1,302.08
MPICO	14.90	▼ -0.13%	14.92
NBM	3,449.93	▼ -0.001%	3,449.96
NITL	410.00	▼ -0.26%	411.08

Dividends announced				
Company	Dividend type	Dividend (K/share)	Ex-dividend date	Last day to register
FMBCH	Interim declared	0.21 US Cents	2-Oct-24	4-Oct-24
NICO	Interim declared	3.00	25-Sep-24	27-Sep-24
NBS	Interim declared	1.60	2-Oct-24	4-Oct-24
NITL	Interim declared	2.50	16-Oct-24	18-Oct-24
PCL	Interim declared	11.25	9-Oct-24	11-Oct-24
ICON	Interim declared	0.14	9-Oct-24	11-Oct-24
SUNBIRD	Interim declared	2.50	16-Oct-24	18-Oct-24

Annual general meetings			
Company	Venue	Date	Time
BHL	Ryalls Hotel	10-Oct-24	14:30hrs
AIRTEL	Virtual & BICC	22-Oct-24	10:00hrs

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