



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	6-Jun-25	% Δ	30-May-25
USD	1750.7380	↓ 0.004%	1750.6742
GBP	2445.6343	↓ 1.24%	2415.6460
EUR	2054.4168	↓ 0.41%	2045.9753
ZAR	101.1075	↓ 0.34%	100.7646

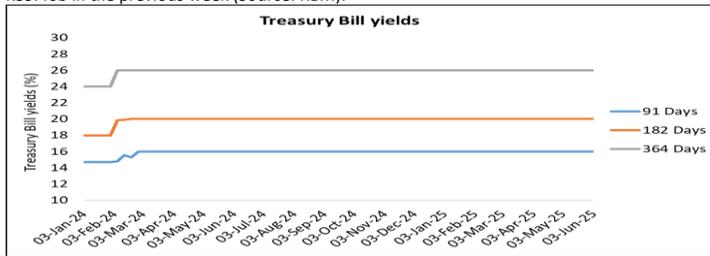
Foreign exchange reserves position			
	31-Mar-25	28-Feb-25	31-Jan-25
Total foreign exchange reserves (Aggregate of RBM, Banks & FCDA's)	536.00	569.50	570.60
Total import cover (months)	2.10	2.30	2.30

Cumulative tobacco sales as at the end of week 9			
Date	Week 9 2025 (6 June 2025)	% Δ	Week 9 2024 (14 June 2024)
Volume (million kg)	86.50	↓ -3.74%	89.86
Value (USD'million)	214.15	↓ -17.06%	258.20
Average price (USD/Kg)	2.48	↓ -13.59%	2.87

Data source: Reserve Bank of Malawi (RBM)

Government securities

The Government raised K20.87b from the auction of Treasury Bills and K14.96b from the auction of Treasury Notes during the week. The Reserve Bank of Malawi conducted OMO reverse repos amounting to K5.0b during the week. Maturities of Government securities for the week amounted to K29.40b, maturities of OMO repos amounted to K45.90b and maturities of OMO reverse repos amounted to K11.80b. These transactions resulted in a net injection of K32.67b into the market during the week, compared to a net withdrawal of K39.46b in the previous week (Source: RBM).



Treasury Bill auctions			
Auction date	3-Jun-25	% pts Δ	27-May-25
Amount offered - cost value (K'm)	17,110.00	↓ -11.28%	19,285.00
Applied - cost value (K'm)	20,869.74	↑ 291.12%	5,335.84
Allotted - cost value (K'm)	20,869.74	↑ 291.12%	5,335.84
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-Jun-25	3-Jun-25	
Tenor	2-yr TN	3, 5, 7 & 10-yr TNs	
Coupon rate	10.00%	11.0%, 12.5%, 13.5% & 15.0%	
Amount offered - cost value (K'b)	84.71		
Total applied - cost value (K'b)	12.62	2.34	
Total allotted - cost value (K'b)	12.62	2.34	
Allotted - weighted average ytm	28.75%	30.0%, 32.0%, 34.0% & 35.0%	

Current yields for Treasury Notes and Bonds			
Tenor	ast auction's yield	Last auction	Next auction
2-year TN	28.75%	03-Jun-25	TBA
2-year Development Bond	28.75%	20-May-25	TBA
3-year TN	30.00%	03-Jun-25	TBA
3-year Development Bond	30.00%	10-Feb-25	24-Jun-25
5-year TN	32.00%	03-Jun-25	17-Jun-25
5-year Development Bond	32.00%	20-Feb-25	TBA
7-year TN	34.00%	03-Jun-25	TBA
7-Year Development Bond	34.00%	07-Jan-25	TBA
10-year TN	35.00%	03-Jun-25	10-Jun-25
10-year Development Bond	35.00%	20-Jun-24	TBA

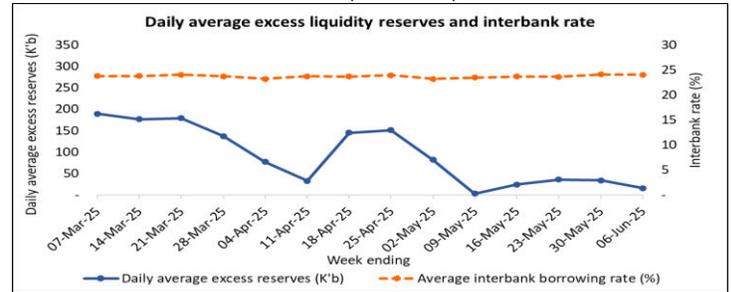
Upcoming auctions of Treasury Notes and Bonds			
Auction date	Tenor (years)	Amount (K'b)	Last auction's coupon rate
10-Jun-25	10	55.70	15.00%
17-Jun-25	5	68.95	12.50%
24-Jun-25	3 IDB	10.00	12.00%

Projected maturities			
Week ending	6-Jun-25	13-Jun-25	20-Jun-25
TBs, PNs & TNs (K'm)	29,401	44,271	80,965
OMO repos (K'm)	45,898	0	0
OMO reverse repos (K'm)	11,795	0	0

Data source: RBM

Market liquidity and interbank market activity

During the week, daily excess liquidity reserves averaged K15.97b, decreasing from an average of K34.30b in the previous week. The daily interbank borrowing averaged K45.70b during the week from K65.85b in the previous week. Borrowing on the Lombard facility averaged K97.40b per day during the week, compared to K109.30b per day in the previous week. The average interbank borrowing rate marginally decreased to 24.03% from 24.05% 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			
	Jun-25	% pts Δ	May-25
Rate	25.10%	↓ -0.10	25.20%

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 1.20% to close the week at 279,755.09 points from 283,146.74 points in the previous. The market traded 3,241,135 shares at a consideration of K1.12b in 524 trades, compared to 80,360,977 shares traded at a consideration of K72.54b in 754 trades in the previous week. The year-to-date return on MASI stood at 62.61% at the end of the week, compared to 6.28% for the same period in 2024 (Source: MSE).

Stock market trading activity					
	06-Jun-25	% Δ	30-May-25		
MASI	279,755.09	↓ -1.20%	283,146.74		
DSI	214,348.51	↑ 0.47%	213,341.45		
FSI	44,161.74	↓ -10.43%	49,302.03		
Traded volume	3,241,135	↓ -95.97%	80,360,977		
Number of trades	524	↓ -30.50%	754		
Value of shares traded (K'm)	1,124.34	↓ -98.45%	72,542.22		
Market capitalisation (K'm)	15,234,065.65	↓ -1.26%	15,428,635.22		
Gainers					
	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
NITL	820.00	↑ 14.65%	715.22	3.72	1.50
NBS	355.21	↑ 4.89%	338.65	14.16	9.22
TNM	23.00	↑ 0.09%	22.98	26.39	5.12
MPICO	19.01	↑ 0.05%	19.00	5.12	0.67
NBM	6200.21	↑ 0.001%	6200.12	28.30	10.78
PCL	3,999.98	↑ 0.0003%	3,999.97	7.44	1.38
STANDARD	9510.01	↑ 0.0001%	9510.00	25.84	8.59
No movement					
	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
ICON	17.95	→ 0.00%	17.95	4.91	0.82
OMU	2,500.03	→ 0.00%	2,500.03	16.35	2.18
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	1791.37	↓ -0.001%	1791.39	56.47	8.59
NICO	776.38	↓ -0.004%	776.41	11.25	5.20
AIRTEL	127.91	↓ -0.03%	127.95	32.93	43.81
FDHB	313.38	↓ -0.07%	313.59	29.20	22.20
BHL	14.52	↓ -0.27%	14.56	(62.30)	1.32
FMBCH	885.11	↓ -10.49%	988.86	18.40	6.61

Data source: MSE

Corporate news

Standard Bank Plc announced a proposed subdivision of every one (1) existing ordinary share in the company into five (5) subdivided ordinary shares. Among other reasons, the share split is intended to increase trading liquidity of the company's shares on MSE. The last cum-split trade date is 15th July 2025, last day to register for the proposed subdivision is 18th July 2025 and the listing date of the subdivided shares is 21st July 2025 (Source: MSE).

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