



Foreign exchange market developments

During the week the Kwacha appreciated against USD but depreciated against GBP, EUR and ZAR as indicated by TT middle exchange rates below:

Closing TT middle exchange rates as at the end of the week				
Currency	9-Aug-24	% Δ		2-Aug-24
USD	1749.8462	↑ -0.03%		1750.3741
GBP	2299.1140	↓ 0.89%		2278.9191
EUR	1965.7668	↓ 1.36%		1939.4725
ZAR	98.1884	↓ 0.10%		98.0925

Opening foreign exchange bureaux middle rates as at the end of the week				
Currency	24-Jul-24	% Δ		21-Jun-24
USD	1926.7942	↓ 0.12%		1924.4388
GBP	2476.1667	↓ 0.85%		2455.2917
EUR	2112.2917	↓ 0.49%		2102.0625
ZAR	104.5975	↑ -0.10%		104.7017

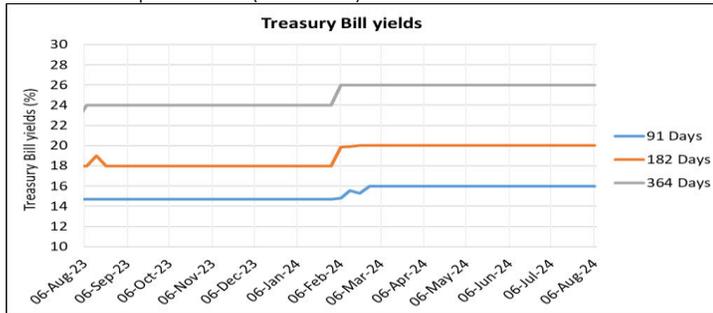
Foreign exchange reserves position			
	30-Jun-24	31-May-24	30-Apr-24
Total foreign exchange reserves (Aggregate of RBM, Banks & Total import cover (months)	591.51	610.18	603.07
	2.37	2.44	2.41

Cumulative tobacco sales as at the end of the season				
Date	End of season 2024 (2 Aug)	% Δ		End of season 2023 (4 Aug)
Volume (million kg)	133.12	↑ 10.45%		120.53
Value (USD/million)	396.28	↑ 39.65%		283.76
Average price (USD/Kg)	2.98	↑ 26.81%		2.35

Data source: Reserve Bank of Malawi (RBM)

Government securities

The Government raised K4.90b from auction of Treasury Bills and K0.53b from auction of Treasury Notes during the week. Maturities of Government securities for the week amounted to K26.56b, resulting in a net injection of K21.13b into the market, compared to a net injection of K28.37b in the previous week (Source: RBM).



Treasury Bill auctions				
Auction date	6-Aug-24	% pts Δ		30-Jul-24
Amount offered - cost value (K'm)	19,028.00	↑ 88.66%		10,086.00
Applied - cost value (K'm)	4,897.12	↓ -18.83%		6,033.17
Allotted - cost value (K'm)	4,897.12	↓ -18.83%		6,033.17
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	6-Aug-24	1-Aug-24		30-Jul-24
Tenor	7-year IDB	3, 5, 7 & 10 year TI		5 year TN
Coupon rate	14.50%	10%, 12.50%, 13.5%		12.50%
Amount offered - cost value (K'b)	20.00	42.64		42.64
Total applied - cost value (K'b)	0.53	4.39		0.07
Total allotted - cost value (K'b)	0.53	4.39		0.07
Allotted - weighted average ytm	34.00%	10%, 32.00%, 34.0%		32.00%

Current yields for Treasury Notes and Bonds				
Tenor	Last auction's yield	Last auction		Next auction
2-year TN	28.75%	01-Aug-24		03-Sep-24
3-year TN	30.00%	01-Aug-24		20-Aug-24
5-year TN	32.00%	01-Aug-24		30-Jul-24
5-year Development Bond	28.00%	28-Nov-23		TBA
7-year TN	34.00%	01-Aug-24		27-Aug-24
7-Year Development Bond	34.00%	06-Aug-24		TBA
10-year TN	35.00%	01-Aug-24		TBA
10-year Development Bond	35.00%	20-Jun-24		TBA

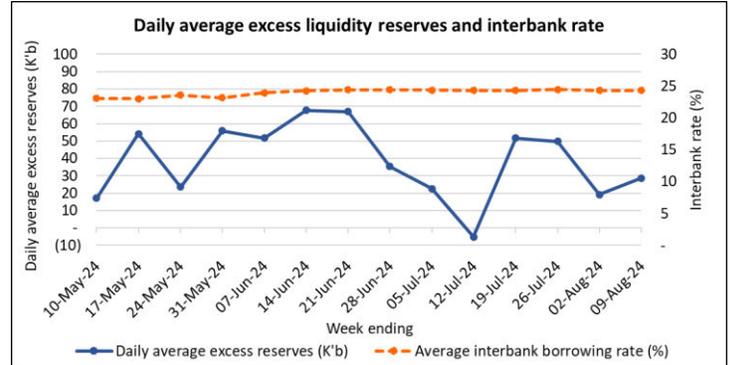
Upcoming auctions of Treasury Notes and Bonds				
Auction date	Tenor (years)	Amount (K'b)		Last auction's coupon rate
20-Aug-24	3	49.12		11.00%
27-Aug-24	7	45.48		13.50%
03-Sep-24	2	52.80		10.00%
17-Sep-24	5	45.20		12.50%
24-Sep-24	3	49.12		11.00%

Projected maturities				
Week ending	9-Aug-24	16-Aug-24		23-Aug-24
TBs, PNs & TNs (K'm)	26,562	26,230		22,336
OMO repos (K'm)	0	0		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 K28.66b during the week from K19.17b in the previous week. Daily average interbank borrowing increased to K81.80b from K52.00b. Borrowing on the Lombard facility decreased to an average of K85.60b per day, compared to K106.73b per day in the previous week. The average interbank borrowing rate was constant at 24.32%. 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				
	Aug-24	% pts Δ		Jul-24
Rate	25.40%	⇒ 0.00		25.40%

Inflation Rate				
	Jun-24	% pts Δ		May-24
Rate	33.3%	↑ 0.60		32.7%

Malawi Stock Exchange (MSE) trading activity

The Malawi All Share Index (MASI) registered a gain of 1.34% to close the week at 134,526.12 points from 132,752.47 points in the previous. The market traded 9,831,296 shares at a consideration of K1.46 in 321 trades, compared to 5,850,698 shares traded at a consideration of K1.52 in 318 trades in the previous week. The year-to-date return on MASI stood at 21.25% as at the end of the week compared to 87.59% for the same period in 2023 (Source: MSE).

Stock market trading activity				
	09-Aug-24	% Δ		02-Aug-24
MASI	134,526.12	↑ 1.34%		132,752.47
DSI	104,027.35	↑ 1.54%		102,449.14
FSI	20,018.58	↑ 0.00005%		20,018.57
Traded volume	9,831,296	↑ 68.04%		5,850,698
Number of trades	321	↑ 0.94%		318
Value of shares traded (K'm)	1,458.64	↓ -4.19%		1,522.41
Market capitalisation (K'm)	7,268,756.19	↑ 1.32%		7,173,715.52

Gainers				
	Closing price (K)	% Δ		Opening price (K)
FDHB	143.70	↑ 10.66%		129.86
NBM	3,000.07	↑ 0.002%		3,000.01
OMU	1622.94	↑ 0.001%		1622.93
STANDARD	4400.02	↑ 0.0002%		4400.01

Losers				
	Closing price (K)	% Δ		Opening price (K)
AIRTEL	44.98	↓ -0.02%		44.99
ICON	15.85	↓ -0.06%		15.86
MPICO	14.99	↓ -0.07%		15.00
NBS	151.42	↓ -0.05%		151.49
NICO	198.92	↓ -0.05%		199.01
NITL	411.34	↓ -0.005%		411.36

Corporate news

Dividends announced					
Company	Dividend type	Dividend (K/share)	Ex-dividend date	Last day to register	Payment date
SUNBIRD	Final declared	5.70	24 Jul 2024	26 Jul 2024	9-Aug-24
FDHB	1st Interim declared	1.89	14-Aug-24	16-Aug-24	22-Aug-24
ICON	Final declared	0.14	7-Aug-24	9-Aug-24	23-Aug-24
PCL	Final declared	37.00	14-Aug-24	16-Aug-24	30-Aug-24
NICO	Final declared	2.00	21-Aug-24	23-Aug-24	30-Aug-24
NITL	Final declared	5.00	21-Aug-24	23-Aug-24	30-Aug-24
NBS	Final declared	0.64	14-Aug-24	16-Aug-24	3-Sep-24

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