

Malawi Stock Exchange (MSE) trading activity

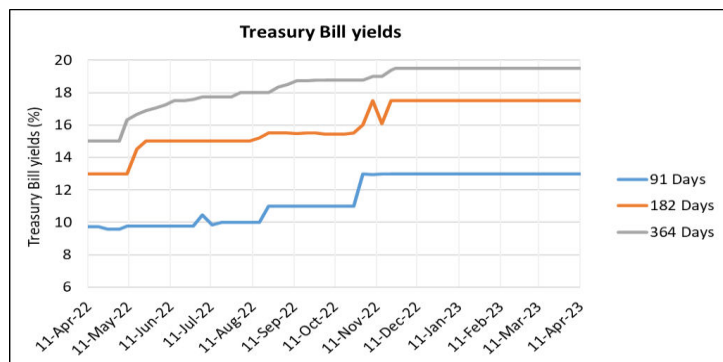
The Malawi All Share Index (MASI) registered a gain of 1.70% to close the week at 82,734.42 points from 81,354.83 points in the previous week due to share price gains in AIRTEL (6.54%), ILLOVO (2.67%), NBM (0.56%), STANDARD (0.0005%), SUNBIRD (0.01%) and TNM (0.68%), which offset share price losses in ICON (-0.17%) and MPICO (-0.05%). The market traded 3,973,697 shares at a consideration of K254.58m in 131 trades compared to 4,564,571 shares traded at a consideration of K357.05m in 164 trades in the previous week. The year-to-date return on MASI stands at 33.37% compared to 2.37% for the same period in 2022 (Source: MSE).

Dividends announced

Company	Dividend type	Dividend (K/share)	Last day to trade	Last day to register	Payable
OMU	Final proposed	28.91	11-Apr-23	14-Apr-23	17-Apr-23
NBS	2nd Interim declared	1.55	18-Apr-23	21-Apr-23	5-May-23
FDHB	Final proposed	0.58	16-May-23	19-May-23	26-May-23
STANDARD	Final proposed	51.14	TBA	TBA	TBA
NITL	Final proposed	2.35	TBA	TBA	TBA
SUNBIRD	Final proposed	1.50	TBA	TBA	TBA
NBS	Final proposed	0.90	TBA	TBA	TBA

Government securities

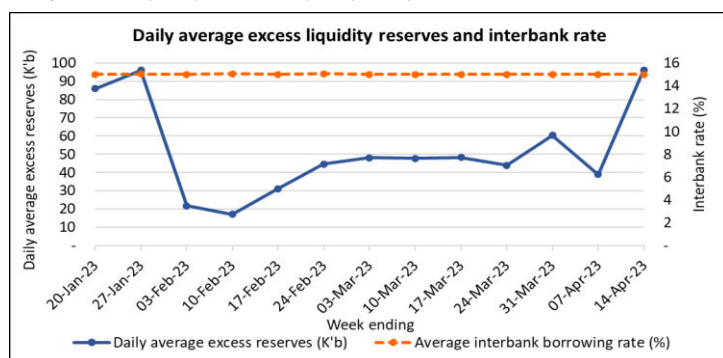
Government raised K6.85b during the week's auction for Treasury Bills (TBs) compared to K15.89b raised in the previous week. The auction registered no rejection rate on the submitted bids. The average TB yield was stable at 16.6655% during the week as the 91-day, 182-day and 364-day yields were constant at 12.9964%, 17.5000% and 19.5000%, respectively (Source: RBM).



Maturities of Government securities for the week amounted to K40.45b. This resulted in a net injection of K33.60b into the market compared to a net injection of K19.70b in the previous week (Source: RBM).

Market liquidity and interbank market activity

Average daily excess liquidity reserves increased to K96.27b from K38.99b in the previous week. Daily average interbank borrowing increased to K31.38b from K26.35b in the previous week. The average interbank borrowing rate was stable at 15.00%. Borrowing on the Lombard facility decreased to the average of K73.20b per day from K94.79b per day in the previous week (Source: RBM).



Foreign exchange market developments

During the week, the Kwacha marginally appreciated against USD by 0.07% to trade at K1034.9694 per USD as at 14th April 2023 from K1035.7373 per USD as at 6th April 2023. However, the Kwacha depreciated against GBP, EUR and ZAR by 0.95%, 1.71% and 0.31%, respectively during the period. Gross official foreign exchange reserves stood at USD280.66m (1.12 months import cover) on 28th February 2023 compared to USD279.22m (1.12 months import cover) on 31st January 2023. The recommended minimum import cover is 3 months. The Tobacco Commission announced that the 2023 tobacco marketing season was opened on 12th April at Lilongwe Floors.

Stock market				
	14-Apr-23	% Δ		06-Apr-23
MASI	82,734.42	1.70%		81,354.83
DSI	67,040.96	1.87%		65,813.39
FSI	8,399.21	0.00%		8,399.21
Traded volume	3,973,697	-12.94%		4,564,571
Number of trades	131	-20.12%		164
Value of shares traded (K'm)	254.58	-28.70%		357.05
Market capitalisation (K'm)	4,463,086.12	1.68%		4,389,161.48
Gainers				
	Closing price (K)	% Δ		Opening price (K)
AIRTEL	80.02	6.54%		75.11
ILLOVO	770.02	2.67%		750.00
NBM	1810.03	0.56%		1800.01
STANDARD	2200.61	0.0005%		2200.60
SUNBIRD	120.01	0.01%		120.00
TNM	16.21	0.68%		16.10
Losers				
	Closing price (K)	% Δ		Opening price (K)
ICON	11.87	-0.17%		11.89
MPICO	20.57	-0.05%		20.58
Treasury Bill auctions				
	14-Apr-23	% pts Δ		4-Apr-23
Amount offered - cost value (K'm)	38,419.00	115.27%		17,847.00
Applied - cost value (K'm)	6,849.93	-58.16%		16,372.92
Allotted - cost value (K'm)	6,849.93	-56.89%		15,890.95
Overall rejection rate	0.00%	-2.94		2.94%
91 days yield	12.9964%	0.0000%		12.9964%
182 days yield	17.5000%	0.0000%		17.5000%
364 days yield	19.5000%	0.0000%		19.5000%
All-type yield	16.6655%	0.0000%		16.6655%
Treasury Note and Bond auctions				
	28, 29, 30 & 31 March 2023	21-Mar-23		13 & 14 March 2023
Tenors	2,3,5,7 & 10 years	5 years		2 years
Coupon rate	10.00%, 11.00%, 12.50%, 13.50% & 15.00%	12.50%		10.00%
Amount offered - cost value (K'b)		56.64		61.64
Total applied - cost value (K'b)		80.56		38.91
Total allotted - cost value (K'b)		80.56		35.57
Allotted - weighted average ytm	22.75%, 24.00%, 26.25%, 27.50% & 28.50%	26.25%		22.75%
Current yields for Treasury Notes and Bonds				
	Last auction's yield	Last auction		Next auction
Tenor		31-Mar-23		TBA
2-year TN	22.75%	31-Mar-23		TBA
3-year TN	24.00%	31-Mar-23		TBA
5-year TN	26.25%	31-Mar-23		TBA
5-year Development Bond	26.00%	29-Nov-22		TBA
7-year TN	27.50%	31-Mar-23		TBA
7-year Development Bond	27.50%	28-Feb-23		TBA
10-year TN	28.50%	31-Mar-23		TBA
10-year Development Bond	23.35%	26-Apr-22		TBA
Upcoming auctions of Treasury Notes and Bonds				
	Auction date	Tenor (years)	Amount (K'b)	Previous auction coupon rate
	18-Apr-23	7	57.40	13.50%
	02-May-23	5	52.76	12.50%
	16-May-23	3	61.66	11.00%
	30-May-23	10	34.26	15.00%
	06-Jun-23	2	77.02	10.00%
	13-Jun-23	7	47.40	13.50%
	27-Jun-23	5-year IDB	10.00	13.50%
Projected maturities				
	Week ending	14-Apr-23	21-Apr-23	28-Apr-23
TBs, PNs & TNs (K'm)		40,450	17,795	10,806
OMO repos (K'm)		0	0	0
OMO reverse repos (K'm)		0	0	0
Reference rate				
	Apr-23	% pts Δ		Mar-23
Rate	17.30%	0.00		17.30%
Inflation rate				
	Feb-23	% pts Δ		Jan-23
Rate	26.7%	0.8		25.9%
Closing TT mid exchange rates				
	14-Apr-23	% Δ		6-Apr-23
USD	1034.9694	-0.07%		1035.7373
GBP	1332.5373	0.95%		1319.9618
EUR	1177.5543	1.71%		1157.7472
ZAR	58.6448	0.31%		58.4639
Gross official foreign exchange reserves position				
	28-Feb-23	31-Jan-23		31-Dec-22
Reserves (USD'm)	280.66	279.22		304.65
Import cover (months)	1.12	1.12		1.22

Sources: MSE, RBM, NSO

Published annual financial results				
Company	2022 profit after tax (K'b)	Movement	2021 profit after tax (K'b)	
Listed banks				
FDH Bank Plc	22,932	97%	11,659	
First Capital Bank Plc	18,270	24%	14,767	
National Bank of Malawi Plc	45,944	34%	34,210	
NBS Bank Plc	18,905	146%	7,693	
Standard Bank Plc	39,202	58%	24,769	
unlisted banks				
CDH Investment Bank Ltd	7,534	55%	4,863	
Ecobank Ltd	18,171	120%	8,274	
Listed non-bank companies				
NICO Holdings Plc	37,569	105%	18,299	
Sunbird Tourism Plc	3,051	307%	0.749	

Expected financial results for the year ended 31st December 2022				
Company	2022 expected profit after tax (K'b)	Expected movement	2021 profit after tax (K'b)	
Listed banks				
FMB Capital Holdings Plc (US\$' million)	52.580	30%	40.446	
Listed non-bank companies				
Blantyre Hotels Plc	(0.601)	20%	(0.752)	
ICON Properties Plc	14.827	70%	8.722	
Illovo Sugar Malawi Plc	32.000	56%	20.469	
MPICO Plc	7.707	20%	6.423	
Telekom Networks Malawi Plc	0.969	-90%	9.690	

Source: MSE

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