



Malawi Stock Exchange (MSE) trading activity

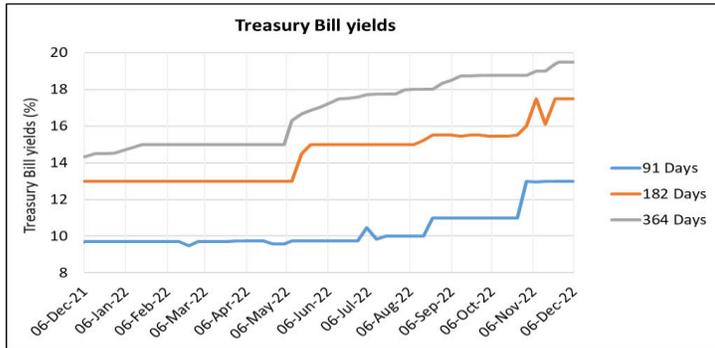
The Malawi All Share Index (MASI) registered a gain of 0.56% to close the week at 60,127.53 points from 59,794.17 points in the previous week due to share price gains in AIRTEL (0.16%), FDHB (0.07%), ILLOVO (0.002%), NBM (2.40%) and STANDARD (0.0005%), which offset share price losses in OMU (-0.51%). The market traded 22,758,686 shares at a consideration of K555.80m in 93 trades compared to 280,122,871 shares traded at a consideration of K4.59b in 84 trades in the previous week. The year-to-date return on MASI stands at 32.53% compared to 33.49% for the same period in 2021 (Source: MSE).

Corporate news

Upcoming dividend				
Company	Dividend type	Dividend (K/share)	Last day to register	Payable
MPICO	Interim declared	0.14	9-Dec-22	16-Dec-22

Government securities

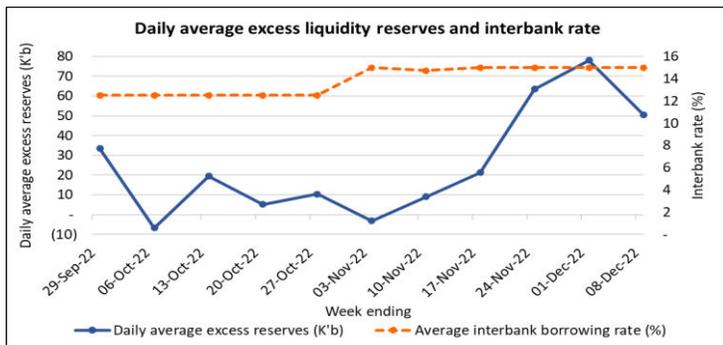
Government raised K29.63b during the week's auction for Treasury Bills (TBs) compared to K24.39b raised in the previous week. The auction registered a rejection rate of 21.20% on the submitted bids. The average TB yield increased to 16.6667% from 16.6664% recorded in the previous week on the account of an increase in the 364-day yield to 19.5000% from 19.4992%. The 91-day and 182-day yields were constant at 13.0000% and 17.5000%, respectively (Source: RBM).



Maturities of Government securities for the week amounted to K25.88b. The RBM conducted OMO reverse repos amounting to K4.90b. This resulted in a net injection of K1.15b into the market compared to a net withdrawal of K8.60b in the previous week (Source: RBM).

Market liquidity and interbank market activity

Average daily excess liquidity reserves increased to K50.60b from K77.97b in the previous week. Daily average interbank borrowing increased to K13.34b from K8.44b in the previous week. The average interbank borrowing rate was constant at 15.00%. Borrowing on the Lombard facility increased to an average of K56.60b per day during the week from K46.34b per day in the previous week (Source: RBM).



Stock market				
	09-Dec-22		% Δ	02-Dec-22
MASI	60 127.53	↑	0,56%	59 794,17
DSI	49 106,99	↑	0,61%	48 809,88
FSI	5 612,81	↓	-0,01%	5 613,43
Traded volume	22 758 686	↓	-91,88%	280 122 871
Number of trades	93	↑	10,71%	84
Value of shares traded (K'm)	555,80	↓	-87,88%	4 585,39
Market capitalisation (K'm)	3 245 742,25	↑	0,55%	3 227 931,72
Gainers	Closing price (K)		% Δ	Opening price (K)
AIRTEL	55,60	↑	0,16%	55,51
FDHB	15,01	↑	0,07%	15,00
ILLOVO	500,12	↑	0,002%	500,11
NBM	1540,20	↑	2,40%	1504,17
STANDARD	2000,12	↑	0,0005%	2000,11
Losers	Closing price (K)		% Δ	Opening price (K)
OMU	985,00	↓	-0,51%	990,00
Treasury Bill auctions				
Auction date	6-Dec-22		% pts Δ	29-Nov-22
Amount offered - cost value (K'm)	26 823,00	↑	74,61%	15 362,00
Applied - cost value (K'm)	37 606,21	↑	43,97%	26 120,26
Allotted - cost value (K'm)	29 634,23	↑	21,51%	24 389,01
Overall rejection rate	21,20%	↑	14,57	6,63%
91 days yield	13,0000%	→	0,0000%	13,0000%
182 days yield	17,5000%	→	0,0000%	17,5000%
364 days yield	19,5000%	↑	0,0008%	19,4992%
All-type yield	16,6667%	↑	0,0003%	16,6664%
Treasury Note and Bond auctions				
Auction date	29-Nov-22	22 & 25 Nov 2022		15-Nov-22
Tenors	5-year DB	2 & 5 year TNs & 7-year DB		5 years
Coupon rate	13,50%	10,00%, 12,50% & 14,50%		12,50%
Amount offered - cost value (K'b)	13,00			54,61
Total applied - cost value (K'b)	6,76	33,72		10,32
Total allotted - cost value (K'b)	5,34	24,98		7,72
Allotted - weighted average ytm	26,00%	22,50%, 26,00% & 27,48%		25,98%
Current yields for Treasury Notes and Bonds				
Tenor	Last auction's yield	Last auction		Next auction
2-year TN	22,50%	25-Nov-22		TBA
3-year TN	23,00%	11-Oct-22		13-Dec-22
5-year TN	26,00%	25-Nov-22		TBA
5-year Development Bond	26,00%	29-Nov-22		TBA
7-year TN	26,50%	25-Oct-22		TBA
7-Year Development Bond	27,50%	25-Nov-22		TBA
10-year TN	27,50%	10-Oct-22		27-Dec-22
10-year infrastructure bond	23,35%	26-Apr-24		TBA
Upcoming auctions of Treasury Notes and Bonds				
Auction date	Tenor (years)	Amount (K'b)		Previous auction coupon rate
13-Dec-22	3	47,30		11,00%
27-Dec-22	10	31,54		15,00%
Projected maturities				
Week ending	9-Dec-22	16-Dec-22		23-Dec-22
TBs, PNs & TNs (K'm)	25 877	7 826		22,682
OMO repos (K'm)	0	0		0
OMO reverse repos (K'm)	0	0		9,938
Reference rate				
Rate	Dec-22		% pts Δ	Nov-22
	17,30%	↑	0,70	16,60%
Inflation rate				
Rate	Oct-22		% pts Δ	Sep-22
	26,7%	↑	0,8	25,9%
Closing TT mid exchange rates				
	8-Dec-22		% Δ	1-Dec-22
USD	1034,8775	↑	-0,06%	1035,4608
GBP	1297,3229	↓	0,55%	1290,1905
EUR	1120,4069	↓	1,02%	1109,0737
ZAR	61,6369	↑	-0,21%	61,7690
Gross official foreign exchange reserves position				
	30-Nov-22	31-Oct-22		30-Sep-22
Reserves (USD'm)	338,87	326,06		357,18
Import cover (months)	1,36	1,30		1,43

Sources: MSE, RBM, NSO, AHL

Foreign exchange market developments

The Kwacha slightly appreciated against USD by -0.06% to trade at K1034.8775/USD as of 8th December 2022 from K1035.4608/USD on 1st December 2022. The Kwacha also appreciated against ZAR (-0.21%) but depreciated against GBP (0.55%) and EUR (-0.21%) during the period. Gross official foreign exchange reserves stood at USD338.87m (1.36 months import cover) on 30th November 2022 compared to USD326.06m (1.30 months import cover) on 31st October 2022 (Source: RBM). The recommended minimum import cover is 3 months.

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