

### Malawi Stock Exchange (MSE) trading activity

The Malawi All Share Index (MASI) gained by 0.43% to close the week at 27,162.10 points from 27,044.70 points the previous week, on account of share price gains in MPICO and NICO which outweighed share price losses in BHL and STANDARD. The market registered an increase of 60.64% in the volume of shares traded to 3,073,406 from 1,913,200 and an increase in the value of traded shares to K278.51m from K47.30m. The year-to-date return on the MASI stands at negative 6.28% compared to 20.84% recorded during a corresponding period in 2018. There was no trade on the listed bond market (Source: MSE).

Published annual financial results for 2018			
Listed company	2018 PAT (K'b)	Movement	2017 PAT (K'b)
Blantyre Hotels Plc	0.352 ↓	-31%	0.507
ILLOVO Sugar Malawi Plc	16.449 ↑	113%	7.735
Mpico Plc	6.782 ↑	33%	5.093
National Bank of Malawi Plc	15.965 ↓	-17%	19.147
National Investment Trust Plc	1.422 ↓	-39%	2.326
NBS Bank Plc	1.699 ↑	256%	(1.092)
NICO Holdings Plc	12.774 ↑	15%	11.123
Standard Bank Malawi Plc	10.582 ↓	-13%	12.162
Sunbird Tourism Plc	2.562 ↑	5%	2.434
<b>Unlisted financial institutions</b>			
CDH Investment Bank Ltd	0.965 ↑	293%	0.246
Continental Capital Ltd	0.025 ↑	414%	0.005
Ecobank Ltd	5.011 ↑	30%	3.856
FDH Bank Ltd	5.965 ↑	694%	(1.004)
FDH Financial Holdings Ltd	7.820 ↑	8166%	0.095
First Discount House Ltd	1.125 ↓	-17%	1.352
New Finance Bank Ltd	0.769 ↑	140%	(1.918)
Stock Brokers Malawi Ltd	0.249 ↑	76%	0.141

### Government securities

Government raised a total of K27.23b during the week through auctions for Treasury Bills (K5.02b) and a 5-year Treasury Note (K22.21b) compared to a total of K13.63b that was raised in a TB auction during the previous week. There was no auction for Treasury Notes (TN) in the preceding week. Maturities for the week amounted to K16.34b, resulting in a net withdrawal of K10.89b. There were no open market operations during the week (Source: RBM).

The all-type average TB yield decreased to 9.80% during the week from 10.18% the preceding week, due to a decrease in the 91-day yield to 9.13% from 9.35%, the 182-day yield to 9.80% from 10.21% and the 364-day yield to 10.48% from 10.97%. The yield for the 5-year TN averaged 16.19% during the week, down from 16.27% on 26 March 2019 (Source: RBM).

### Interbank market activity

Liquidity levels on the interbank market remained elevated during the week despite excess liquidity reserves decreasing to an average of K19.73b per day from the average of K26.53b per day in the previous week. Consequently, there was no access to the Lombard facility during the week as was the case in the preceding week. The interbank market volume decreased to an average of K3.48b per day from K5.04b the previous week, and the average overnight interbank rate decreased to 2.92% from 4.44% (Source: RBM).

### Foreign exchange market developments

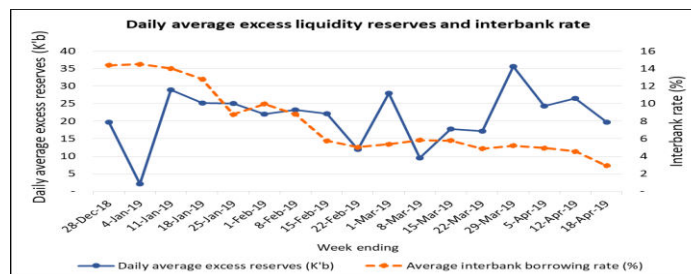
The Kwacha marginally appreciated by 0.06% against GBP during the week and marginally depreciated against USD, ZAR and EUR by 0.10%, 0.25% and 0.18%, respectively. Gross official forex reserves stood at USD837.49m (4.01 months of import cover) on 28<sup>th</sup> February 2019, increasing by 6.00% from USD790.28m (3.78 months of import cover) on 31<sup>st</sup> January 2019 (Source: RBM).

### Inflation

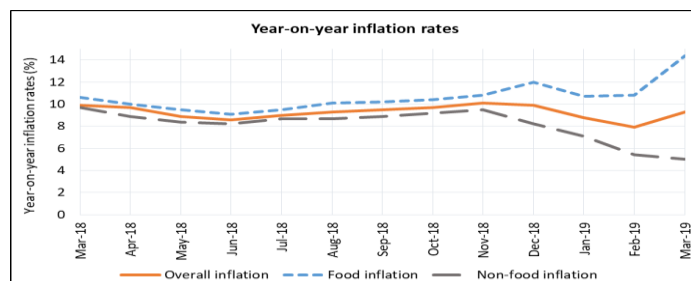
Year-on-year headline inflation rate increased to 9.3% in March 2019 from 7.9% in February 2019, on account of an increase in year-on-year food inflation rate to 14.4% from 10.8% the preceding month which outweighed a decrease in non-food inflation rate to 5.0% from 5.4% (Source: NSO).

Stock market				
	18-Apr-19	% Δ	12-Apr-19	
MASI	27,162.10	↑ 0.43%	27,044.70	
DSI	20,355.58	↑ 0.52%	20,249.66	
FSI	4,521.94	↑ 0.00%	4,521.94	
Traded volume	3,073,406	↑ 60.64%	1,913,200	
Number of trades	50	↑ 21.95%	41	
Value of shares traded (K'm)	278.51	↑ 488.84%	47.30	
Market capitalisation (K'm)	1,273,501.64	↑ 0.43%	1,268,060.21	
Gainers				
	Current price (K)	% Δ	Previous price (K)	
MPICO	17.25	↑ 14.85%	15.02	
NICO	42.50	↑ 1.26%	41.97	
Losers				
	Current price (K)	% Δ	Previous price (K)	
BHL	12.95	↓ -0.08%	12.96	
STANDARD	499.02	↓ -0.19%	499.99	
Treasury Bill auctions				
	16-Apr-19	% pts Δ	9-Apr-19	
91 days yield	9.13%	↓ -0.22	9.35%	
182 days yield	9.80%	↓ -0.41	10.21%	
364 days yield	10.48%	↓ -0.49	10.97%	
All-type yield	9.80%	↓ -0.38	10.18%	
Applied - cost value (K'm)	66,202.90	↑ 5.56%	62,716.49	
Allotted - cost value (K'm)	5,021.43	↓ -63.17%	13,632.50	
Overall rejection rate	92.42%	↑ 14.15	78.26%	
Treasury Note auctions				
	18-Apr-19	17-Apr-19	26-Mar-19	
Week ending	18-Apr-19	17-Apr-19	26-Mar-19	
Tenor	5 Years	5 Years	5 Years	
Coupon rate	10.00%	10.00%	10.00%	
Applied for - face value (K'b)	8.56	25.00	54.41	
Allotted - face value (K'b)	5.84	21.93	27.42	
Allotted - cost value (K'b)	4.68	17.53	21.69	
Allotted - weighted average ytm	16.16%	16.22%	16.27%	
Upcoming Treasury Note auctions				
	Auction date	Settlement date	Previous auction's yield	
Tenor	23-Apr-19	25-Apr-19	24.00%	
2 years	28-May-19	30-May-19	17.32%	
3 years	25-Jun-19	27-Jun-19	14.77%	
Projected maturities				
	12-Apr-19	18-Apr-19	26-Apr-19	
TBs, PNs & TNs (K'm)	15,037	16,340	15,039	
OMO (K'm)	0	0	0	
Inflation				
	Mar-19	% pts Δ	Feb-19	
Rate	9.30%	↑ 1.40	7.90%	
RBM indicative mid exchange rates				
	18-Apr-19	% Δ	12-Apr-19	
USD	735.0172	↓ 0.10%	734.3005	
GBP	958.7564	↓ -0.06%	959.2902	
ZAR	52.6125	↓ 0.25%	52.4823	
EUR	830.2754	↓ 0.18%	828.8050	
Gross official foreign exchange reserves position				
	28-Feb-19	31-Jan-19	31-Dec-18	
Reserves (USD'm)	837.49	790.28	755.22	
Import cover (months)	4.01	3.78	3.61	

(Sources: MSE, RBM, NSO)



(Source: RBM)



(Source: NSO)

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