

Malawi Stock Exchange (MSE) trading activity

The Malawi All Share Index (MASI) gained by 2.18% to close the week at 28,728.11 points from 28,114.09 points the previous week, on account of share price gains in ILLOVO, MPICO, NBM and TNM. The rest of the companies registered no price movement. The market registered significant increases in the volume of shares traded to 71,242,281 from 4,818,225 and in the value of traded shares to K4.63b from K346.27m. The year-to-date return on the MASI stands at negative 0.88% compared to 34.48% recorded during a corresponding period in 2018. There was no trade on the listed bond market (Source: MSE).

Annual general meetings			
Company	Date	Time	Venue
NITL	5-Jun-19	10:00hrs	Mount Soche Hotel
NBS	5-Jun-19	15:30hrs	Ryalls Hotel
NBM	6-Jun-19	14:00hrs	NBM Learning & Growth Centre
NICO	7-Jun-19	15:30hrs	Ryalls Hotel
STANDARD	21-Jun-19	9:30hrs	BICC

Government securities

Government raised K791.13m during an auction for Treasury Bills (TBs) during the week compared to K9.81b that was raised during the TB auction for the previous week. No application for TBs during the auction was rejected as was the case in the previous week. Maturities for the week amounted to K5.66b, resulting in a net injection of K4.87b. There were no open market operations during the week, as was the case in the previous week (Source: RBM). The all-type average TB yield increased to 9.50% during the week from 9.42% registered in the preceding week, as the 91-day TB yield increased to 9.00% from 8.80% and the 182-day TB yield increased to 9.49% from 9.45% while the 364-day TB yield was constant at 10.00% (Source: RBM).

Interbank market activity

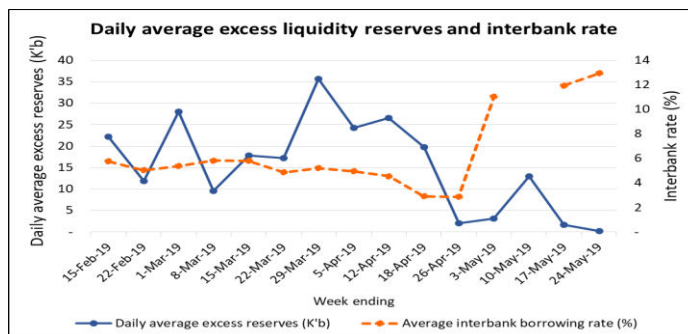
Liquidity levels declined during the week as excess liquidity reserves decreased to an average of K0.28b per day from an average of K1.74b per day in the previous week. Consequently, the amount borrowed on the interbank market increased to an average of K8.18b per day from an average of K5.03b per day during the previous week, and the average interbank borrowing rate increased to 12.93% from 11.93%. The total amount accessed on the Lombard facility increased to K157.20b from K108.00b in the preceding week. The Lombard rate was constant at 13.9% (Source: RBM).

Foreign exchange market developments

During the week, the Kwacha depreciated by 0.66% and 0.69% against the USD and EUR, respectively, and appreciated by 0.15% and 0.06% against the GBP and ZAR, respectively. The USD/MWK indicative middle rate closed the week at 745.4261 compared to 740.5040 as at the close of the previous week. Gross official forex reserves stood at USD760.70m (3.60 months of import cover) on 31st March 2019, decreasing by 9.17% from USD837.49m (4.01 months of import cover) on 28th February 2019 (Source: RBM).

Stock market			
	24-May-19	% Δ	17-May-19
MASI	28,728.11	↑ 2.18%	28,114.09
DSI	21,768.45	↑ 2.61%	21,214.47
FSI	4,521.94	→ 0.00%	4,521.94
Traded volume	71,242,281	↑ 1378.60%	4,818,225
Number of trades	78	↑ 25.81%	62
Value of shares traded (K'm)	4,633.86	↑ 1238.23%	346.27
Market capitalisation (K'm)	1,355,197.84	↑ 2.15%	1,326,737.17
Gainers	Current price (K)	% Δ	Previous price (K)
ILLOVO	210.00	↑ 5.00%	200.00
MPICO	18.50	↑ 5.71%	17.50
NBM	370.00	↑ 8.82%	340.00
TNM	29.00	↑ 1.75%	28.50
Losers	Current price (K)	% Δ	Previous price (K)
None			
Treasury Bill auctions			
Auction date	21-May-19	% pts Δ	15-May-19
91 days yield	9.00%	↑ 0.20	8.80%
182 days yield	9.49%	↑ 0.04	9.45%
364 days yield	10.00%	→ 0.00	10.00%
All-type yield	9.50%	↑ 0.08	9.42%
Applied - cost value (K'm)	791.13	↓ -91.94%	9,810.58
Allotted - cost value (K'm)	791.13	↓ -91.94%	9,810.58
Overall rejection rate	0.00%	→ 0.00	0.00%
Upcoming Treasury Note auctions			
Tenor	Auction date	Settlement date	Previous auction's yield
2 years	28-May-19	30-May-19	17.32%
3 years	25-Jun-19	27-Jun-19	14.77%
Projected maturities			
Week ending	24-May-19	31-May-19	May-19
TBs, PNs & TNs (K'm)	5,662	82,761	116,511
OMO (K'm)	0	15,744	15,744
Inflation			
Rate	Apr-19	% pts Δ	Mar-19
	9.10%	↓ -0.20	9.30%
Cumulative tobacco sales for 2019 versus 2018			
	Week 5 2019	% Δ	Week 5 2018
Volume (Kg)	27,792,178	↓ -30.23%	39,836,540
Value (USD)	37,737,426	↓ -39.17%	62,042,271
Average price (USD/Kg)	1.36	↓ -12.82%	1.56
RBM indicative mid exchange rates			
	24-May-19	% Δ	17-May-19
USD	745.4261	↓ 0.66%	740.5040
GBP	945.7221	↑ -0.15%	947.1046
ZAR	51.7004	↑ -0.06%	51.7300
EUR	833.5355	↓ 0.69%	827.8094
Gross official foreign exchange reserves position			
	31-Mar-19	28-Feb-19	31-Jan-19
Reserves (USD'm)	760.70	837.49	790.28
Import cover (months)	3.60	4.01	3.78

(Sources: MSE, RBM, NSO)



(Source: RBM)

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