

### MASI gains

The MASI gained 1.97% to close the week at 20,722.59 points. This gain was on account of share price increases in FMB, FMBCH and Standard Bank, which offset price losses in NBS and TNM. Total value traded decreased by 33.02% to K98.79m. A total of 549,120 shares were traded compared to 1,048,328 shares transacted the previous week. Year to date return on the MASI stands at 55.57% (2016: -11.49%). (Source: MSE).

### Upcoming AGM

| Company    | Date      | Time    | Venue               |
|------------|-----------|---------|---------------------|
| NICO (EGM) | 29-Nov-17 | 3:30 PM | Sunbird Mount Soche |

### Kwacha exchange rate movements

During the week, the Kwacha depreciated against most major trading currencies albeit marginally appreciating against the USD. Gross official reserves decreased slightly to USD776.13m (3.71 months of imports) as at 22<sup>nd</sup> November 2017 from USD778.17m (3.72 months of imports) recorded on 17<sup>th</sup> November, 2017 (Source: RBM). In the short to medium term, we expect the Kwacha to remain fairly stable against major trading currencies due to foreign aid support and credit facilities from development partners.

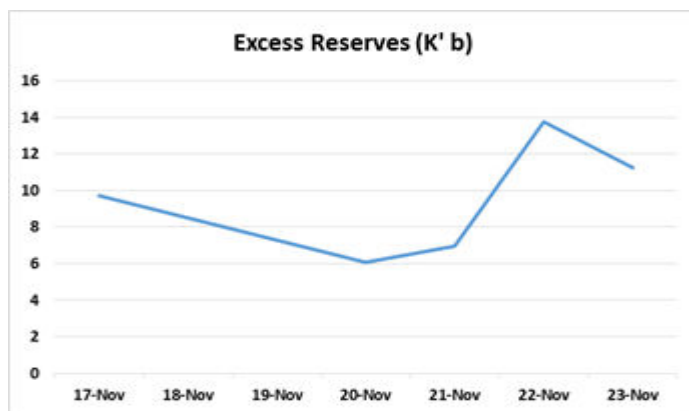
### Treasury Bill auction registers 76% rejection

At the TB auction held during the week, K0.64b was raised. The average all type TB rate slightly increased to 15.06% from 15.05% observed the previous week. The auction registered a 76.15% rejection. (Source: RBM). Looking forward, we expect Treasury Bill yields to face a downward pressure as liquidity is improving while the authorities caution to target cheaper funds.

### Interbank market

Liquidity increased to a daily average of K9.53b during the week from K8.39b the previous week. Consequently, the weekly average overnight interbank rate decreased to 16.72% from 17.15%. Total volume traded on the interbank market to Thursday was K34.24b from K35.84b the previous week. The Lombard Facility was not accessed during the week compared to K37.04b accessed last week. Total maturities for the week amounted to K13.91b. RBM mopped up K8.69b from the market through OMOs at an average rate of 16% (Source: RBM). In the short to medium term, we expect the interbank rate to slightly decline owing to generally improving liquidity conditions in the market.

| Stock market indices                             |                   |           |                    |
|--|-------------------|-----------|--------------------|
|  | 24-Nov-17         | % Δ       | 17-Nov-17          |
| MASI   | 20722.59          | ↑ 1.97%   | 20321.89           |
| DSI  | 15844.84          | ↑ 0.33%   | 15793.42           |
| FSI  | 3094.88           | ↑ 13.46%  | 2727.82            |
| Market capitalisation (K' b)                     | 10,527.96         | ↑ 0.19%   | 10,508.18          |
| Deals  | 20                | ↑ 42.86%  | 14                 |
| Value of shares traded (K' m)                    | 98.79             | ↓ 33.02%  | 147.50             |
| Gainers  |                   |           |                    |
|  | Current price (K) | % Δ       | Previous price (K) |
| FMB  | 48.00             | ↑ 6.64%   | 45.01              |
| FMBCH  | 58.50             | ↑ 14.48%  | 51.10              |
| Standard Bank                                    | 610.00            | ↑ 1.67%   | 600.00             |
| Losers   |                   |           |                    |
|  | Current price (K) | % Δ       | Previous price (K) |
| NBS  | 7.00              | ↓ 6.67%   | 7.50               |
| TNM  | 13.00             | ↓ 3.70%   | 13.50              |
| Treasury Bill yields                             |                   |           |                    |
| Tenor (days)                                     | 21-Nov-17         | % pts Δ   | 14-Nov-17          |
| 91   | 14.44%            | ↓ 0.01%   | 14.45%             |
| 182  | 14.75%            | ↓ 0.05%   | 14.80%             |
| 364  | 16.00%            | ↑ 0.10%   | 15.90%             |
| All-type   | 15.06%            | ↑ 0.01%   | 15.05%             |
| Overall rejection rate                           | 76.15%            | ↑ 8.74%   | 67.41%             |
| Alloted (K' b)                                   | 0.64              | ↓ 69.50%  | 2.09               |
| Expected maturities                              |                   |           |                    |
| Week ending                                      | 24-Nov-17         | 1-Dec-17  | 8-Dec-17           |
| TBs, PNs & TNs                                   | 636               | 1,463     | 6,054              |
| OMO  | 13,278            | 22,823    | 11,605             |
| Inflation  |                   |           |                    |
| Month  | Oct-17            | % pts Δ   | Sep-17             |
| Rate   | 8.30%             | ↓ 0.10%   | 8.40%              |
| RBM - mid exchange rates                         |                   |           |                    |
| Currency   | 23-Nov-17         | % Δ       | 17-Nov-17          |
| USD  | 725.60            | ↑ 0.00%   | 725.62             |
| GBP  | 967.15            | ↓ 0.75%   | 959.99             |
| ZAR  | 52.36             | ↓ 2.01%   | 51.33              |
| EUR  | 858.82            | ↓ 0.24%   | 856.74             |
| Gross official foreign exchange reserve position |                   |           |                    |
|  | 22-Nov-17         | 17-Nov-17 | 10-Nov-17          |
| Reserves (USD'm)                                 | 776.13            | 778.17    | 757.92             |
| Import cover (months)                            | 3.71              | 3.72      | 3.63               |



Source: RBM

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