

Malawi Stock Exchange (MSE) trading activity

The Malawi All Share Index (MASI) lost by 0.53% to close the week at 27,019.12 points from 27,162.10 points the previous week, on account of shares price losses in ICON of 9.09% and NICO of 1.18% which outweighed a share price gain of 1.45% in MPICO. The market registered a nearly threefold increase in the volume of shares traded to 12,061,787 from 3,073,406 and a more than fourfold increase in the value of traded shares to K1.50b from K278.51m. The year-to-date return on the MASI stands at negative 6.78% compared to 25.44% recorded during a corresponding period in 2018. There was no trade on the listed bond market (Source: MSE).

Annual general meetings

- BHL on 9th May 2019 from 10:00hrs at Ryalls Hotel, Blantyre
- OMU on 24th May 2019 from 14:00hrs at Mutual Place, Sandton.

Dividend announcements

| Company | Dividend type | Dividend per share (K) | Last day to register | Payable |
|---------|---------------|------------------------|----------------------|-----------|
| NITL | Final | 0.50 | 7-Jun-19 | 14-Jun-19 |
| NICO | 2nd Interim | 0.80 | 3-May-19 | 10-May-19 |
| PCL | Final | 20.00 | 23-Aug-19 | 30-Aug-19 |
| BHL | Final | 0.08 | tba | tba |
| MPICO | Final | 0.13 | tba | tba |
| SUNBIRD | Final | 0.50 | tba | tba |
| TNM | Final | 0.25 | tba | tba |
| NICO | Final | 0.30 | tba | tba |

(Source: MSE)

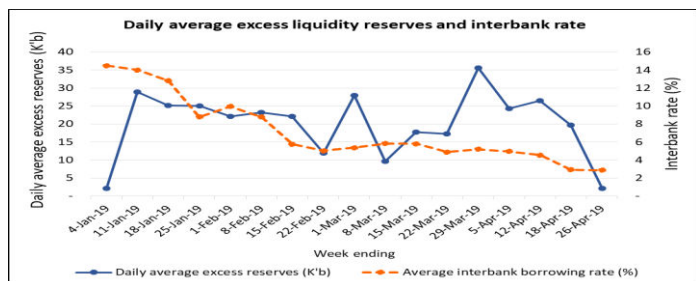
Government securities

Government raised a total of K17.02b during the week through auctions for Treasury Bills (K8.69b) and a 7-year Treasury Note (K8.33b) compared to a total of K27.23b that was raised in the preceding week during auctions for TBs (K5.02b) and a 5-year TN (K22.21b). Maturities for the week amounted to K15.04b, resulting in a net withdrawal of K1.98b. There were no open market operations during the week (Source: RBM).

The all-type average TB yield slightly increased to 9.81% during the week from 9.80% registered in the preceding week. The 364-day TB yield slightly increased to 10.49% from 10.48% while the 182-day and 91-day TB yields were constant at 9.80% and 9.13%, respectively. The yield for the 7-year TN averaged 19.00%. The 5 year TN rate for the preceding week was 16.16% (Source: RBM).

Interbank market activity

Liquidity levels on the interbank market significantly dropped during the week with excess liquidity reserves decreasing to an average of K2.08b per day from the average of K19.73b per day in the previous week. Consequently, the interbank market volume increased to an average of K7.32b per day from K3.48b the previous week, and a total of K4.80b was accessed on the Lombard facility during the week. None of the banks accessed the Lombard facility during the preceding week. The average overnight interbank rate slightly decreased to 2.87% from 2.92% (Source: RBM).



(Source: RBM)

Foreign exchange market developments

The Kwacha appreciated by 2.66%, 1.25% and 0.92% against the ZAR, EUR and GBP, respectively, during the week, and depreciated marginally by 0.18% against the USD. Gross official forex reserves stood at USD837.49m (4.01 months of import cover) on 28th February 2019, increasing by 6.00% from USD790.28m (3.78 months of import cover) on 31st January 2019 (Source: RBM). Looking forward, The Kwacha is expected to firm during the agricultural marketing season due to increased inflow of forex. The tobacco auction market was officially opened on 25th April 2019.

| Stock market | | | | |
|---|--------------|-----------------|--------------------------|--|
| | 26-Apr-19 | % Δ | 18-Apr-19 | |
| MASI | 27,019.12 | ↓ -0.53% | 27,162.10 | |
| DSI | 20,226.58 | ↓ -0.63% | 20,355.58 | |
| FSI | 4,521.94 | ↓ 0.00% | 4,521.94 | |
| Traded volume | 12,061,787 | ↑ 292.46% | 3,073,406 | |
| Number of trades | 64 | ↑ 28.00% | 50 | |
| Value of shares traded (K'm) | 1,502.34 | ↑ 439.43% | 278.51 | |
| Market capitalisation (K'm) | 1,266,874.63 | ↓ -0.52% | 1,273,501.64 | |
| Gainers | | | | |
| MPICO | 17.50 | ↑ 1.45% | 17.25 | |
| Losers | | | | |
| ICON | 10.00 | ↓ -9.09% | 11.00 | |
| NICO | 42.00 | ↓ -1.18% | 42.50 | |
| Treasury Bill auctions | | | | |
| Auction date | 23-Apr-19 | % pts Δ | 16-Apr-19 | |
| 91 days yield | 9.13% | ↓ -0.01 | 9.13% | |
| 182 days yield | 9.80% | ↓ 0.00 | 9.80% | |
| 364 days yield | 10.49% | ↑ 0.01 | 10.48% | |
| All-type yield | 9.81% | ↑ 0.00 | 9.80% | |
| Applied - cost value (K'm) | 15,338.38 | ↓ -76.83% | 66,202.90 | |
| Allotted - cost value (K'm) | 8,686.13 | ↓ 72.98% | 5,021.43 | |
| Overall rejection rate | 43.37% | ↓ -49.05 | 92.42% | |
| Treasury Note auctions | | | | |
| Week ending | 23-Apr-19 | 18-Apr-19 | 17-Apr-19 | |
| Tenor | 7 Years | 5 Years | 5 Years | |
| Coupon rate | 12.00% | 10.00% | 10.00% | |
| Applied for - face value (K'b) | 12.33 | 8.56 | 25.00 | |
| Allotted - face value (K'b) | 11.33 | 5.84 | 21.93 | |
| Allotted - cost value (K'b) | 8.33 | 4.68 | 17.53 | |
| Allotted - weighted average ytm | 19.00% | 16.16% | 16.22% | |
| 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 | 18-Apr-19 | 26-Apr-19 | Apr-19 | |
| TBs, PNs & TNs (K'm) | 16,340 | 15,039 | 60,515 | |
| OMO (K'm) | 0 | 0 | 5,086 | |
| Inflation | | | | |
| Rate | Mar-19 | % pts Δ | Feb-19 | |
| | 9.30% | ↑ 1.40 | 7.90% | |
| RBM indicative mid exchange rates | | | | |
| | 26-Apr-19 | % Δ | 18-Apr-19 | |
| USD | 736.3522 | ↓ 0.18% | 735.0172 | |
| GBP | 949.8943 | ↑ -0.92% | 958.7564 | |
| ZAR | 51.2135 | ↑ -2.66% | 52.6125 | |
| EUR | 819.9282 | ↑ -1.25% | 830.2754 | |
| 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)

Published financial results for 2018

| Published annual financial results for 2018 | | | |
|---|----------------|----------|----------------|
| | 2018 PAT (K'b) | Movement | 2017 PAT (K'b) |
| Listed companies | | | |
| 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 |
| Old Mutual Malawi Ltd | 21.030 | ↑ 74% | 12.096 |
| Press Corporation Plc | 36.713 | ↓ -7% | 39.673 |
| Standard Bank Malawi Plc | 10.582 | ↓ -13% | 12.162 |
| Sunbird Tourism Plc | 2.562 | ↑ 5% | 2.434 |
| Telekom Networks Malawi Plc | 16.666 | ↑ 27% | 13.108 |
| Unlisted financial institutions | | | |
| Britam Insurance Company Ltd | 0.227 | ↑ 237% | (0.166) |
| CDH Investment Bank Ltd | 0.965 | ↑ 293% | 0.246 |
| Continental Asset Management Ltd | 0.608 | ↑ 8% | 0.562 |
| 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 |
| NBM Capital Markets Ltd | 0.411 | ↓ -24% | 0.540 |
| New Finance Bank Ltd | 0.769 | ↑ 140% | (1.918) |
| NICO General Insurance Company Ltd | 1.403 | ↓ -36% | 2.190 |
| NICO Life Insurance Company Ltd | 9.420 | ↓ 0% | 9.378 |
| Old Mutual Life Assurance Company Ltd | 9.467 | ↑ 57% | 6.036 |
| Old Mutual Unit Trust Company Ltd | (0.013) | ↓ -138% | 0.035 |

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