



**Foreign exchange market developments**

During the week, the Kwacha was generally stable against the USD, registering a marginal appreciation of 0.02%. The Kwacha also appreciated against the GBP, EUR and ZAR as indicated by TT middle exchange rates below (Source: RBM).

Closing TT middle exchange rates as at the end of the week			
Currency	15-May-26	% Δ	8-May-26
USD	1750.4294	↑ -0.02%	1750.8263
GBP	2403.7339	↑ -1.60%	2442.8606
EUR	2099.3789	↑ -0.81%	2116.4551
ZAR	108.0238	↑ -1.81%	110.0140

Foreign exchange reserves position			
	28-Feb-26	31-Jan-26	31-Dec-25
Total foreign exchange reserves (Aggregate of RBM, Banks & FCDAs) (USD'm)	625.70	664.90	608.90
Total import cover (months)	2.50	2.70	2.40

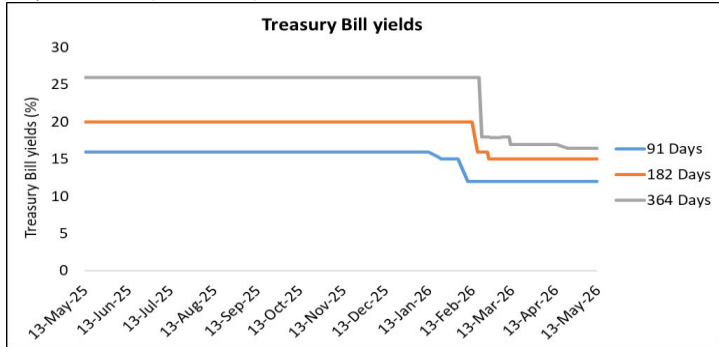
Cumulative tobacco sales statistics as at Week 4			
Date	Week 4 2026 (14 May 2026)	% Δ	Week 4 2025 (1 May 2025)
Volume (million kg)	19.30	↓ -13.81%	22.39
Value (USD'million)	40.87	↓ -21.19%	51.86
Average price (USD/Kg)	2.12	↓ -8.62%	2.32

Data source: Reserve Bank of Malawi (RBM)

**Government securities**

During the Treasury Bills auction held in the week, the Government raised K140.81b with no rejection rate. There was no auction for Treasury Notes during the week.

Maturities of Government securities for the week amounted to K186.07b, resulting in a net injection of K45.26b into the market during the week, compared to a net injection of K0.92b in the previous week (Source: RBM).



Treasury Bill auctions			
Auction date	13-May-26	% pts Δ	6-May-26
Applied - cost value (K'm)	140,812.68	↑ 12.27%	125,428.45
Allotted - cost value (K'm)	140,812.68	↑ 256.87%	39,457.78
Overall rejection rate	0.00%	↓ -68.54%	68.54%
91 days yield	12.0000%	→ 0.0000%	12.0000%
182 days yield	15.0000%	→ 0.0000%	15.0000%
364 days yield	16.5000%	→ 0.0000%	16.5000%
All-type yield	14.5000%	→ 0.0000%	14.5000%

Treasury Note and Bond auctions			
Auction dates	30 & 31 Mar 2026	24, 25 & 27 Mar 2026	16 & 19 Mar 2026
Tenor	2-year Treasury Note	2-year Treasury Note	2-year Treasury Note
Coupon rate	10.00%	10.00%	10.00%
Total applied - cost value (K'b)	34.73	36.73	67.65
Total allotted - cost value (K'b)	34.73	27.14	67.65
Overall rejection rate	0.00%	26.11%	0.00%
Allotted - weighted average ytm	18.00%	18.00%	18.50%

Current yields for Treasury Notes and Bonds			
Tenor	Last auction's yield	Last auction	Next auction
2-year Treasury Note	18.00%	31-Mar-26	TBA
2-year Development Bond	28.75%	05-Aug-25	TBA
3-year Treasury Note	30.00%	18-Dec-25	TBA
3-year Development Bond	30.00%	18-Nov-25	TBA
5-year Treasury Note	32.00%	18-Dec-25	TBA
5-year Development Bond	32.00%	02-Dec-25	TBA
7-year Treasury Note	34.00%	18-Dec-25	TBA
7-Year Development Bond	34.00%	07-Jan-25	TBA
10-year Treasury Note	35.00%	18-Dec-25	TBA
10-year Development Bond	35.00%	20-Jun-24	TBA

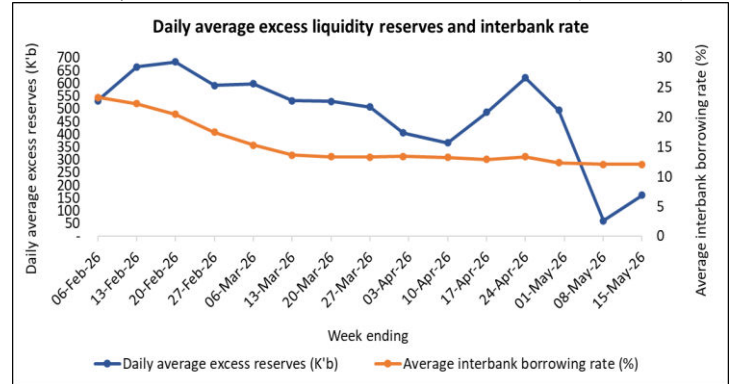
  

Projected maturities			
Week ending	15-May-26	22-May-26	29-May-26
Treasury Bills, Promissory Notes & Treasury Notes (K'm)	186,067	107,800	16,810
Open Market Operations repos (K'm)	0	0	0
Open Market Operations reverse repos (K'm)	0	0	0

Data source: RBM

**Market liquidity and interbank market activity**

During the week, daily excess liquidity reserves averaged K160.91b, increasing from an average of K60.41b in the previous week. The interbank borrowing averaged K138.75b per day from an average of K114.20b per day in the previous week. Borrowing on the Lombard Standing Facility amounted to K357.00b during the week, compared to no borrowing in the previous week. The average interbank borrowing rate marginally decreased to 12.06% from 12.07% in the previous week. The Lombard rate remained fixed at 24.20% (Source: RBM).



Policy Rate			
	30-Apr-26	% pts Δ	05-Mar-26
Rate	24.00%	→ 0.00	24.00%

Market Reference Rate			
	May-26	% pts Δ	Apr-26
Rate	20.60%	↓ -0.20	20.80%

Inflation Rate			
	Mar-26	% pts Δ	Feb-26
Rate	23.80%	↓ -0.30	24.1%

**Malawi Stock Exchange (MSE) trading activity**

The Malawi All Share Index (MASI) registered a loss of -0.54% to close the week at 517,941.30 points from 520,766.83 points in the previous week. The market traded 4,836,643 shares at a consideration of K1.57b in 658 trades, compared to 14,059,038 shares traded at a consideration of K2.07b in 766 trades in the previous week. The year-to-date return on MASI stood at -13.40% as at the end of the week, compared to 68.09% during the same period in 2025 (Source: MSE).

Stock market trading activity			
	15-May-26	% Δ	08-May-26
MASI	517,941.30	↓ -0.54%	520,766.83
DSI	395,712.09	↑ 0.32%	394,459.29
FSI	83,728.49	↓ -5.17%	88,293.70
Traded volume	4,836,643	↓ -65.60%	14,059,038
Number of trades	658	↓ -14.10%	766
Value of shares traded (K'm)	1,572.20	↓ -24.18%	2,073.66
Market capitalisation (K'm)	28,238,638.28	↓ -0.54%	28,392,689.04

Gainers					
	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
BHL	16.50	↑ 9.34%	15.09	17.62	1.35
PCL	8,500.00	↑ 8.68%	7,821.02	7.04	1.98
MPICO	19.53	↑ 0.05%	19.52	3.3	0.58
ILLOVO	2,948.67	↑ 0.0003%	2,948.66	27.24	9.77
OMU	5,300.02	↑ 0.0002%	5,300.01	30.53	3.95

No movement					
	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
ICON	15.99	→ 0.00%	15.99	3.27	0.61
SUNBIRD	2,585.27	→ 0.00%	2,585.27	54.19	4.92

Loser					
	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
NITL	3,930.64	↓ -0.002%	3,930.73	2.63	1.94
NBM	10,999.21	↓ -0.002%	10,999.48	25.32	12.59
STANDARD	4,143.28	↓ -0.003%	4,143.39	39.95	13.94
NICO	1,643.56	↓ -0.02%	1,643.89	10.21	5.72
AIRTEL	112.44	↓ -0.06%	112.51	24.13	20.16
NBS	762.52	↓ -0.18%	763.89	14.75	10.03
FDHB	568.64	↓ -0.20%	569.78	26.55	15.77
TNM	29.90	↓ -0.20%	29.96	16.22	3.36
FMBCH	1,649.97	↓ -5.37%	1,743.57	20.73	8.07

Data source: MSE

**Disclaimer:** The views expressed in this report are those of the author and are based on information believed but not warranted to be correct. Any views or information, whilst given in good faith, are not necessarily the views of CDH Investment Bank (CDHIB) and are given with an express disclaimer of responsibility and no right of action shall arise against the author, CDHIB, its directors or its employees either directly or indirectly out of any views, advice, or information. The information presented are for information purposes only and does not constitute and should not be construed as investment advice or recommendation. The statistics have been obtained from third party data sources. We believe these sources to be reliable but cannot guarantee their accuracy or completeness. Recipients of this report shall be solely responsible for making their own independent appraisal and investigation into all matters herein.