



**Foreign exchange market developments**

During the week, the Kwacha was generally stable against the USD, registering a marginal depreciation of 0.07%. The Kwacha also depreciated 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	8-May-26	% Δ	30-Apr-26
USD	1750.8263	↓ 0.07%	1749.6786
GBP	2442.8606	↓ 0.69%	2426.1099
EUR	2116.4551	↓ 0.80%	2099.6784
ZAR	110.0140	↓ 2.78%	107.0422

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

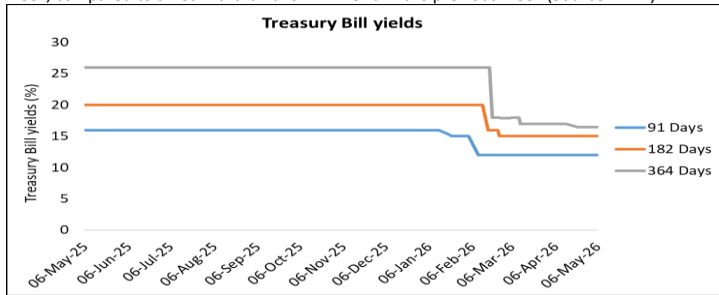
Cumulative tobacco sales statistics as at Week 3			
Date	Week 3 2026 (8 May 2026)	% Δ	Week 3 2025 (1 May 2025)
Volume (million kg)	12.31	↓ -45.02%	22.39
Value (USD'million)	26.18	↓ -49.52%	51.86
Average price (USD/Kg)	2.13	↓ -8.19%	2.32

Data source: Reserve Bank of Malawi (RBM)

**Government securities**

During the Treasury Bills auction held in the week, total applications amounted to K125.43b, of which successful bids amounted to K39.46b, resulting in a rejection rate of 68.54%. There was no auction for Treasury Notes during the week.

The RBM also conducted auctions for OMO Repos during which a total of K17.45b was withdrawn from the market. Maturities of Government securities for the week amounted to K57.83b. These transactions resulted in a net injection of K0.92b into the market during the week, compared to a net withdrawal of K242.82b in the previous week (Source: RBM).



Treasury Bill auctions			
Auction date	6-May-26	% pts Δ	28-Apr-26
Applied - cost value (K'm)	125,428.45	↓ -27.40%	172,758.49
Allotted - cost value (K'm)	39,457.78	↓ -56.16%	90,000.00
Overall rejection rate	68.54%	↑ 20.64	47.90%
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

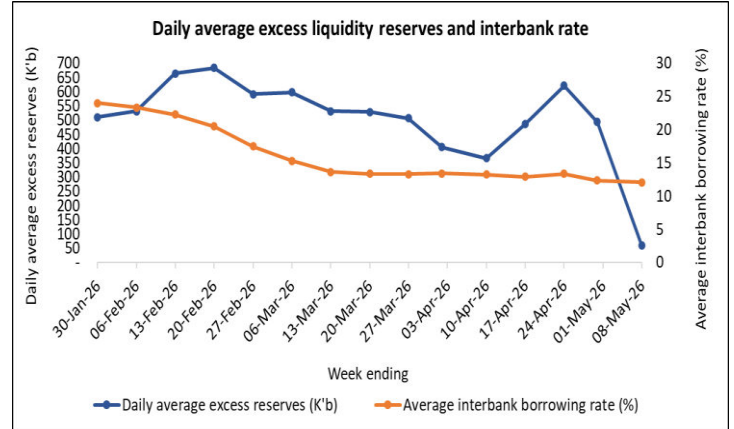
  

Projected maturities			
Week ending	8-May-26	15-May-26	22-May-26
Treasury Bills, Promissory Notes & Treasury Notes (K'm)	57,827	186,067	107,800
Open Market Operations repos (K'm)	0	0	0
Open Market Operations reverse repos (K'm)	0	0	0

Data source: RBM

**Market liquidity and interbank market activity**

During the week, daily excess liquidity reserves averaged K60.41b, decreasing from an average of K494.31b in the previous week. This followed the Monetary Policy Committee's decision to raise the Liquidity Reserve Requirement ratio for local currency deposits to 12.0% from 10.0% on 30<sup>th</sup> April 2026. The interbank borrowing amounted to K571.00b from K62.00b in the previous week. There was no borrowing on the Lombard facility during the week, as was the case in the previous week. The average interbank borrowing rate decreased to 12.07% from 12.35% 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 -0.69% to close the week at 520,766.83 points from 524,387.05 points in the previous week. The market traded 14,059,038 shares at a consideration of K2.07b in 766 trades, compared to 6,414,464 shares traded at a consideration of K2.33b in 731 trades in the previous week. The year-to-date return on MASI stood at -12.92% as at the end of the week, compared to 68.16% during the same period in 2025 (Source: MSE).

Stock market trading activity					
	08-May-26	% Δ	30-Apr-26		
MASI	520,766.83	↓ -0.69%	524,387.05		
DSI	394,459.29	↓ -0.04%	394,615.70		
FSI	88,293.70	↓ -4.05%	92,021.47		
Traded volume	14,059,038	↑ 119.18%	6,414,464		
Number of trades	766	↑ 4.79%	731		
Value of shares traded (K'm)	2,073.66	↓ -11.03%	2,330.62		
Market capitalisation (K'm)	28,392,689.04	↓ -0.69%	28,590,066.41		

Category	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
<b>Gainers</b>					
SUNBIRD	2,585.27	↑ 15.00%	2,248.06	54.19	4.92
TNM	29.96	↑ 0.40%	29.84	16.26	3.37
AIRTEL	112.51	↑ 0.12%	112.37	24.15	20.17
MPICO	19.52	↑ 0.10%	19.50	3.3	0.58
PCL	7,821.02	↑ 0.003%	7,820.80	6.48	1.82
OMU	5,300.01	↑ 0.0002%	5,300.00	30.53	3.95
<b>No movement</b>					
BHL	15.09	→ 0.00%	15.09	16.12	1.23
ICON	15.99	→ 0.00%	15.99	3.27	0.61
ILLOVO	2,948.66	→ 0.00%	2,948.66	27.24	9.77
<b>Loser</b>					
NBM	10,999.48	↓ -0.001%	10,999.57	25.32	12.59
STANDARD	4,143.39	↓ -0.002%	4,143.47	39.95	13.94
NITL	3,930.73	↓ -0.002%	3,930.82	2.63	1.94
NBS	763.89	↓ -0.05%	764.27	14.78	10.05
NICO	1,643.89	↓ -0.12%	1,645.81	10.22	5.72
FDHB	569.78	↓ -2.42%	583.90	26.61	15.80
FMBCB	1,743.57	↓ -4.20%	1,820.00	21.90	8.52

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.