



Foreign exchange market developments

During the week, the Kwacha was generally stable against the USD, registering a marginal depreciation of 0.05%. The Kwacha also depreciated against the ZAR but appreciated against the GBP and EUR during the week, as indicated by TT middle exchange rates below (Source: RBM).

Closing TT middle exchange rates as at the end of the week				
Currency	5-Jun-26	% Δ		29-May-26
USD	1750.4027	↓ 0.05%		1749.4579
GBP	2416.9972	↑ -0.18%		2421.2987
EUR	2092.3259	↑ -0.35%		2099.6819
ZAR	110.7364	↓ 0.41%		110.2854

Foreign exchange reserves position			
	31-Mar-26	28-Feb-26	31-Jan-26
Total foreign exchange reserves (Aggregate of RBM, Banks & FCDAs)	571.60	625.70	664.90
Total import cover (months)	2.30	2.50	2.70

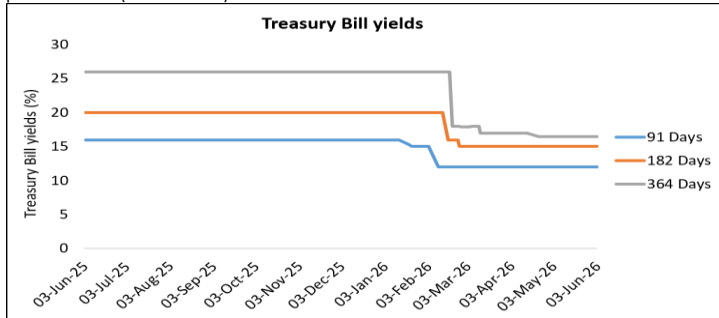
Cumulative tobacco sales statistics as at Week 7				
	Week 7 2026 (5 Jun 2026)	% Δ		Week 7 2025 (23 May 2025)
Volume (million kg)	51.48	↓ -12.89%		59.10
Value (USD million)	106.84	↓ -25.60%		143.60
Average price (USD/Kg)	2.08	↓ -14.40%		2.43

Data source: Reserve Bank of Malawi (RBM)

Government securities

During the Treasury Bills auction held in the week, the Government raised K31.62b with no rejection rate. There was no auction for Treasury Notes during the week.

Maturities of Government securities amounted to K58.99b, resulting in a net injection of K27.37b into the market during the week, compared to a net withdrawal of K45.08b in the previous week (Source: RBM).



Treasury Bill auctions				
Auction date	2 & 3 June 2026	% pts Δ		25, 26 & 28 May 2026
Applied - cost value (K'm)	31,621.58	↓ -51.31%		64,939.86
Allotted - cost value (K'm)	31,621.58	↓ -51.31%		64,939.86
Overall rejection rate	0.00%	→ 0.00		0.00%
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%

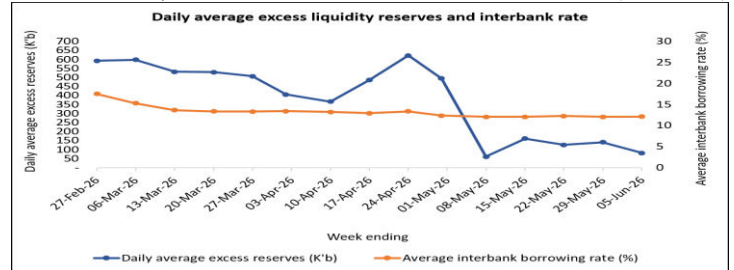
Current yields for Treasury Notes and Bonds			
Tenor	Last auction's yield	Last auction	Next auction
2-year Treasury Note	18.00%	31-Mar-26	TBA
2-year Development Bond	28.75%	05-Aug-25	TBA
3-year Treasury Note	30.00%	18-Dec-25	TBA
3-year Development Bond	30.00%	18-Nov-25	TBA
5-year Treasury Note	32.00%	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	5-Jun-26	12-Jun-26	19-Jun-26
Treasury Bills, Promissory Notes & Treasury Notes (K'm)	58,988	36,091	45,177
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 K81.23b, increasing from an average of K140.66b in the previous week. The interbank borrowing averaged K72.60b per day from an average of K59.70b per day in the previous week. There was no borrowing on the Lombard Standing Facility during the week, compared to a total of K314.00b that was borrowed on the facility during the previous week. The average interbank borrowing rate increased to 12.11% 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			
	Jun-26	% pts Δ	May-26
Rate	20.40%	↓ -0.20	20.60%

Inflation Rate			
	Apr-26	% pts Δ	Mar-26
Rate	24.30%	↑ 0.50	23.8%

Malawi Stock Exchange (MSE) trading activity

The Malawi All Share Index (MASI) registered a gain of 0.05% to close the week at 513,741.69 points from 513,462.78 points in the previous week. The market traded 12,389,149 shares at a consideration of K17.97b in 614 trades, compared to 13,143,694 shares traded at a consideration of K2.42b in 984 trades in the previous week. The year-to-date return on MASI stood at -14.10% as at the end of the week, compared to 63.10% during the same period in 2025 (Source: MSE).

Stock market trading activity					
	05-Jun-26	% Δ		29-May-26	
MASI	513,741.69	↑ 0.05%		513,462.78	
DSI	391,995.29	↑ 0.07%		391,735.45	
FSI	83,661.67	↓ -0.01%		83,672.89	
Traded volume	12,389,149	↓ -5.74%		13,143,694	
Number of trades	614	↓ -37.60%		984	
Value of shares traded (K'm)	17,968.40	↑ 643.74%		2,415.96	
Market capitalisation (K'm)	28,009,671.55	↑ 0.05%		27,994,465.45	

Gainers					
	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
NBS	742.26	↑ 1.60%	730.56	14.36	9.76
ILLOVO	3,500.06	↑ 0.001%	3,500.02	32.34	11.6
SUNBIRD	3,100.08	↑ 0.001%	3,100.06	64.98	5.9

No movement					
	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
BHL	17.50	→ 0.00%	17.50	18.69	1.43
ICON	16.01	→ 0.00%	16.01	3.28	0.61
MPICO	19.55	→ 0.00%	19.55	3.31	0.58
OMU	5,300.02	→ 0.00%	5,300.02	30.53	3.95
PCL	8,700.00	→ 0.00%	8,700.00	7.20	2.03

Loser					
	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
NITL	3,930.11	↓ -0.002%	3930.18	2.62	1.94
STANDARD	3,999.83	↓ -0.002%	3,999.91	38.56	13.46
FMBCH	1,648.60	↓ -0.01%	1,648.83	20.71	8.06
NBM	10,389.89	↓ -0.05%	10,394.57	23.91	11.89
NICO	1,625.72	↓ -0.10%	1,627.36	10.10	5.66
AIRTEL	112.05	↓ -0.15%	112.22	24.05	20.09
TNM	29.75	↓ -0.17%	29.80	16.14	3.34
FDHB	532.81	↓ -0.32%	534.53	24.88	14.78

Data source: MSE

Dividends announced					
Company	Dividend type	Dividend (K/share)	Ex-dividend	Last day to register	Payment date
FMBCH	Final declared	11.62 (0.67 cents)	17-Jun-26	19-Jun-26	3-Jul-26
ILLOVO	Interim declared	8.00	24-Jun-26	26-Jun-26	7-Jul-26
NBS	Final proposed	4.70	TBA	TBA	TBA
NICO	Final proposed	8.05	TBA	TBA	TBA
NBM	Final proposed	111.79	TBA	TBA	TBA
ICON	Final proposed	0.16	TBA	TBA	TBA
MPICO	Final proposed	0.50	TBA	TBA	TBA
TNM	Final proposed	0.23	TBA	TBA	TBA
PCL	Final proposed	66.52	TBA	TBA	TBA
SUNBIRD	Final proposed	11.35	TBA	TBA	TBA

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