Market update – 14th August 2026

Foreign exchange market developments

The Kwacha was generally stable against the USD, registering a marginal appreciation of 0.01% during the week. The Kwacha also appreciated against the GBP, EUR and ZAR, as indicated by TT middle exchange rates below (Source: RBM).

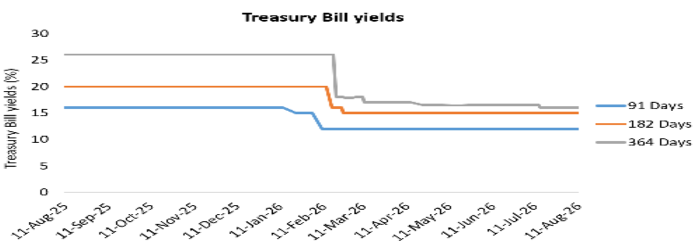
Closing TT middle exchange rates as at the end of the week			
Currency	14-Aug-26	% Δ	7-Aug-26
USD	1750.2160	0.01%	1749.9565
GBP	2435.0241	0.36%	2426.2298
EUR	2081.9752	0.24%	2076.9121
ZAR	110.6280	1.30%	109.2134
Foreign exchange reserves position			
	31-May-26	30-Apr-26	31-Mar-26
Total foreign exchange reserves (Aggregate of RBM, Banks & FCDAs) (USD'm)	596.50	619.80	571.60
Total import cover (months)	2.40	2.50	2.30
Cumulative tobacco sales statistics as at Week 17			
Date	Week 17 2026 (14 August 2026)	% Δ	Week 17 2025 (1 August 2025)
Volume (million kg)	136.54	-25.15%	182.41
Value (USD'million)	272.22	-41.44%	464.88
Average price (USD/Kg)	1.99	-21.96%	2.55

Data source: Reserve Bank of Malawi (RBM)

Government securities

The Government raised a total of K80.33b during the auction of Treasury Bills conducted during the week. There were no successful bids for a 2-year Treasury Note during this week's auction, despite applications amounting to K1.95b.

Maturities of Government securities amounted to K30.74b, resulting in a net withdrawal of K49.59b from the market during the week, compared to a net withdrawal of K60.80b in the previous week (Source: RBM).

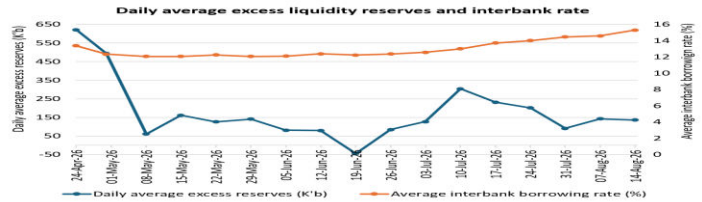


Treasury Bill auctions			
Auction date	11-Aug-26	% pts Δ	4-Aug-26
Applied - cost value (K'm)	82,328.67	5.40%	78,107.02
Alloted - cost value (K'm)	82,328.67	5.42%	78,095.86
Overall rejection rate	0.00%	-0.01%	0.01%
91 days yield	12.0000%	0.00%	12.0000%
182 days yield	15.0000%	0.00%	15.0000%
364 days yield	16.0000%	0.00%	16.0000%
All-type yield	14.3333%	0.00%	14.3333%
Treasury Note and Bond auctions			
Auction dates	11-Aug-26	22, 24 & 26 June 2026	15, 17 & 18 June 2026
Tenor	2-year Treasury Note	2-year Treasury Note	2-year Treasury Note
Coupon rate	10.00%	10.00%	10.00%
Amount offered -cost value (K'b)			
Total applied - cost value (K'b)	1.95	12.15	7.757
Total allotted - cost value (K'b)	0.00	12.15	6.005
Overall rejection rate	100.00%	0.00%	22.59%
Allotted - weighted average ytm		18.00%	18.00%
Current yields for Treasury Notes and Bonds			
Tenor	Last auction's yield	Last auction	Next auction
2-year Treasury Note	18.00%	26-Jun-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	14-Aug-26	21-Aug-26	28-Aug-26
Treasury Bills, Promissory Notes & Treasury Notes (K'm)	30,739	66,300	70,307
Open Market Operations repos (K'm)	0	65,834	0
Open Market Operations reverse repos (K'm)	0	0	0

Data source: RBM

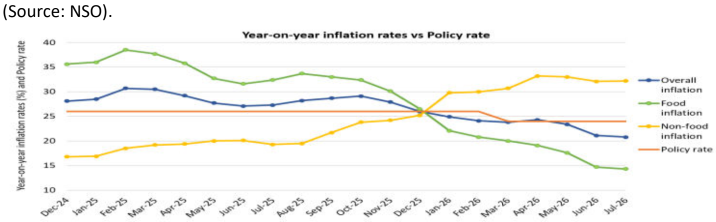
Market liquidity and interbank market activity

Daily excess liquidity reserves averaged K135.52b during the week, decreasing from an average of K142.05b in the previous week. Interbank borrowing averaged K276.60b per day from an average of K135.42b per day in the previous week. Borrowing on the Lombard Standing Facility averaged K72.42b during the week, down from K143.68b in the previous week. The average interbank borrowing rate increased to 15.30% from 14.58% in the previous week. The Lombard rate remained fixed at 24.20% (Source: RBM).



Inflation

The year-on-year headline inflation rate decreased to 20.8% in July 2026 from 21.1% in June 2026 as food inflation rate decreased to 14.3% in July 2026 from 14.7% in June 2026 while non-food inflation rate marginally increased to 32.2% in July 2026 from 32.1% in June 2026 (Source: NSO).



Policy Rate			
	06-Aug-26	% pts Δ	30-Apr-26
Rate	24.00%	0.00%	24.00%
Market Reference Rate			
	Aug-26	% pts Δ	Jul-26
Rate	20.80%	0.30%	20.50%
Inflation Rate			
	Jul-26	% pts Δ	Jun-26
Rate	20.80%	-0.30%	21.1%

Malawi Stock Exchange (MSE) trading activity

The Malawi All Share Index (MASI) registered a marginal gain of 0.09% to close the week at 503,942.09 points from 503,483.73 points in the previous week. The market traded 934,165 shares at a consideration of K2.25b in 553 trades, compared to 1,693,922 shares traded at a consideration of K709.29m in 591 trades in the previous week. The year-to-date return on MASI stood at -15.74% as at the end of the week, compared to 160.06% during the same period in 2025 (Source: MSE).

Stock market trading activity					
	14-Aug-26	% Δ	07-Aug-26		
MASI	503,942.09	0.09%	503,483.73		
DSI	373,195.95	0.11%	372,773.14		
FSI	95,698.05	-0.02%	95,714.14		
Traded volume	934,165	-44.85%	1,693,922		
Number of trades	553	-6.43%	591		
Value of shares traded (K'm)	2,246.56	216.74%	709.29		
Market capitalisation (K'm)	28,064,109.63	2.24%	27,450,399.47		
Gainers	**Closing price (K)**	**% Δ**	**Opening price (K)**	**P/E ratio**	**P/BV ratio**
CHL	216.63	11.09%	195.00	16.21	8.59
MPICO	19.61	0.10%	19.59	3.32	0.58
ILLOVO	3,502.12	0.004%	3,501.99	32.36	11.60
PCL	9,521.84	0.001%	9,521.77	7.89	2.22
SUNBIRD	3,550.01	0.0003%	3,550.00	74.42	6.75
No movement	**Closing price (K)**	**% Δ**	**Opening price (K)**	**P/E ratio**	**P/BV ratio**
BHL	17.51	0.00%	17.51	18.70	1.43
ICON	17.00	0.00%	17.00	3.48	0.65
OMU	5,300.02	0.00%	5,300.02	30.65	3.97
Loser	**Closing price (K)**	**% Δ**	**Opening price (K)**	**P/E ratio**	**P/BV ratio**
NITL	3,599.95	-0.001%	3599.99	2.40	1.77
FMBCH	1,895.38	-0.02%	1,895.71	23.81	9.26
NBS	659.67	-0.03%	659.86	12.76	8.68
NICO	1,344.21	-0.05%	1,344.87	8.35	4.68
AIRTEL	102.86	-0.06%	102.92	22.08	18.44
TNM	28.55	-0.07%	28.57	15.49	3.21
STANDARD	3,989.98	-0.14%	3,995.73	38.47	13.42
NBM	9,399.80	-0.15%	9,413.89	21.64	10.76
FDHB	494.70	-0.68%	498.11	23.10	13.72

Data source: MSE

Corporate news

- Continental Holdings Plc (CHL) was listed on the Malawi Stock Exchange main board on 10th August 2026, bringing the total number of listed companies on MSE to 17 (Source: MSE).
- Standard Bank Plc reported a profit after tax of K67.47b for the half year ending 30th June 2026. This represents an increase of 39% from the profit after tax of K48.39b that was registered in the previous corresponding period (Source: Standard Bank).

CDH House, 5 independence Drive, PO Box 1444, Blantyre, Malawi I http://www.cdh-malawi.com I Email: ckamamkhudza@cdh-malawi.com I Tel: +265 (0) 1 821 300; Fax: +265 (0) 1 822 826