Market update – 31st July 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, however, depreciated against the GBP, EUR and ZAR, as indicated by TT middle exchange rates below (Source: RBM).

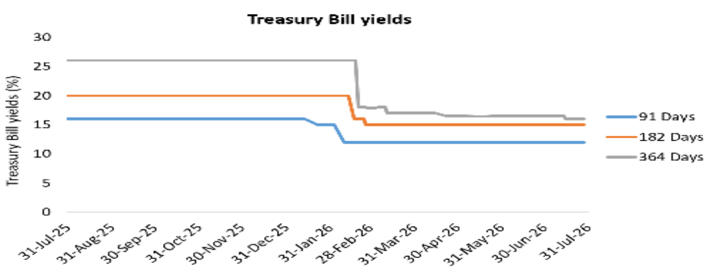
Closing TT middle exchange rates as at the end of the week			
Currency	**31-Jul-26**	**% Δ**	**24-Jul-26**
USD	1750.5544	-0.01%	1750.6752
GBP	2422.0281	1.21%	2393.1141
EUR	2072.0357	1.51%	2041.1603
ZAR	108.9168	1.89%	106.8920
Foreign exchange reserves position			
	31-May-26	**30-Apr-26**	**31-Mar-26**
Total foreign exchange reserves (Aggregate of RBM, Banks & FCDAs)	596.50	619.80	571.60
Total import cover (months)	2.40	2.50	2.30
Cumulative tobacco sales statistics as at Week 15			
Date	**Week 15 2026 (31 July 2026)**	**% Δ**	**Week 15 2025 (18 July 2025)**
Volume (million kg)	123.57	-23.68%	161.91
Value (USD'million)	248.51	-39.76%	412.51
Average price (USD/Kg)	2.01	-21.18%	2.55

Data source: Reserve Bank of Malawi (RBM)

Government securities

The Government raised a total of K20.34b during the auction of Treasury Bills conducted during the week, with no rejection rate. There was no auction of Treasury Notes during the week.

Maturities of Government securities amounted to K70.12b, resulting in a net injection of K49.78b into the market during the week, compared to a net withdrawal of K1.68b in the previous week (Source: RBM).

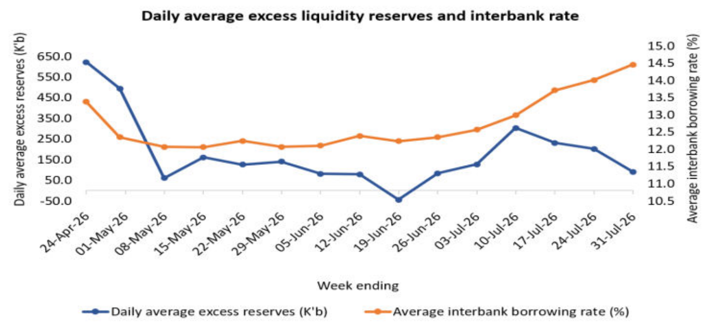


Treasury Bill auctions			
Auction date	**28-Jul-26**	**% pts Δ**	**21 & 22 Jul 2026**
Applied - cost value (K'm)	20,341.37	-68.60%	64,783.37
Alloted - cost value (K'm)	20,341.37	-6.90%	21,847.85
Overall rejection rate	0.00%	-66.28	66.28%
91 days yield	12.0000%	0.0000%	12.0000%
182 days yield	15.0000%	0.0000%	15.0000%
364 days yield	16.0000%	0.0000%	16.0000%
All-type yield	14.3333%	0.0000%	14.3333%
Treasury Note and Bond auctions			
Auction dates	**22, 24 & 26 June 2026**	**15, 17 & 18 June 2026**	**11 & 12 June 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)	12.15	7.76	26.294
Total allotted - cost value (K'b)	12.15	6.01	26.294
Overall rejection rate	0.00%	22.59%	0.00%
Allotted - weighted average ytm	18.00%	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	**31-Jul-26**	**7-Aug-26**	**14-Aug-26**
Treasury Bills, Promissory Notes & Treasury Notes (K'm)	70,115	17,302	30,114
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

Liquidity conditions tightened on the interbank market, with daily excess liquidity reserves averaging K90.95b during the week, decreasing from an average of K201.48b in the previous week. Interbank borrowing averaged K112.20b per day from an average of K66.90b per day in the previous week. Borrowing on the Lombard Standing Facility amounted to K324.00b during the week, down from K61.50b in the previous week. The average interbank borrowing rate increased to 14.46% from 14.01% 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			
	Jul-26	**% pts Δ**	**Jun-26**
Rate	20.50%	0.10	20.40%
Inflation Rate			
	Jun-26	**% pts Δ**	**May-26**
Rate	21.10%	-2.30	23.4%

Malawi Stock Exchange (MSE) trading activity

The Malawi All Share Index (MASI) registered a loss of -0.67% to close the week at 505,773.08 points from 509,168.57 points in the previous week. The market traded 1,689,496 shares at a consideration of K1.03b in 594 trades, compared to 1,869,555 shares traded at a consideration of K673.83m in 399 trades in the previous week. The year-to-date return on MASI stood at -15.43% as at the end of the week, compared to 124.53% during the same period in 2025 (Source: MSE).

Stock market trading activity					
	31-Jul-26	**% Δ**	**24-Jul-26**		
MASI	505,773.08	-0.67%	509,168.57		
DSI	374,826.29	-0.81%	377,875.47		
FSI	95,718.04	-0.001%	95,719.02		
Traded volume	1,689,496	-9.63%	1,869,555		
Number of trades	594	48.87%	399		
Value of shares traded (K'm)	1,027.52	52.49%	673.83		
Market capitalisation (K'm)	27,575,216.71	-0.67%	27,760,342.24		
Gainers	**Closing price (K)**	**% Δ**	**Opening price (K)**	**P/E ratio**	**P/BV ratio**
ILLOVO	3,501.95	0.001%	3,501.90	32.36	11.60
No movement	**Closing price (K)**	**% Δ**	**Opening price (K)**	**P/E ratio**	**P/BV ratio**
BHL	17.48	0.00%	17.48	18.67	1.43
ICON	17.00	0.00%	17.00	3.48	0.65
OMU	5,300.02	0.00%	5,300.02	30.53	3.95
PCL	9,521.77	0.00%	9,521.77	7.89	2.22
SUNBIRD	3,550.00	0.00%	3,550.00	74.42	6.75
Loser	**Closing price (K)**	**% Δ**	**Opening price (K)**	**P/E ratio**	**P/BV ratio**
FMBCH	1,895.79	-0.001%	1,895.81	23.82	9.27
NITL	3,699.73	-0.001%	3699.78	2.47	1.82
STANDARD	3,995.87	-0.002%	3,995.96	38.53	13.44
MPICO	19.59	-0.05%	19.60	3.31	0.58
NICO	1,348.83	-0.09%	1,350.00	8.38	4.69
NBM	9,548.83	-0.52%	9,598.96	21.98	10.93
TNM	28.56	-0.56%	28.72	15.50	3.21
AIRTEL	102.33	-1.54%	103.93	21.96	18.34
NBS	673.07	-2.42%	689.78	13.02	8.85
FDHB	499.88	-2.60%	513.25	23.34	13.87

Data source: MSE

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