CDH INVESTMENT BANK

Market update – 28th August 2026

Foreign exchange market developments

During the week, the Kwacha appreciated by 0.12% against the USD, 0.43% against the GBP and by 0.78% against the EUR but depreciated by 1.31% against the ZAR, as indicated by TT middle exchange rates below (Source: RBM).

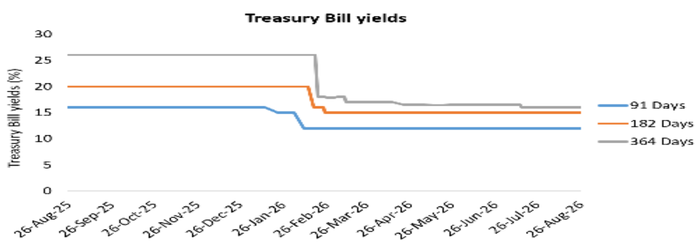
Closing TT middle exchange rates as at the end of the week			
Currency	28-Aug-26	% Δ	21-Aug-26
USD	1747.9890	-0.12%	1750.0215
GBP	2441.3768	-0.43%	2451.8280
EUR	2092.8800	-0.78%	2109.4370
ZAR	111.8957	1.31%	110.4501
Foreign exchange reserves position			
	30-Jun-26	31-May-26	30-Apr-26
(Aggregate of RBM, Banks & FCDAs) (USD'm)	616.30	596.50	619.80
Total import cover (months)	2.50	2.40	2.50
Cumulative tobacco sales statistics as at Week 19			
Date	Week 19 2026 (28 August 2026)	% Δ	Week 19 2025 (15 August 2025)
Volume (million kg)	142.36	-27.82%	197.24
Value (USD'million)	282.47	-43.55%	500.42
Average price (USD/Kg)	1.98	-22.05%	2.54

Data source: Reserve Bank of Malawi (RBM)

Government securities

The Government raised a total of K41.66b from auctions of Treasury Bills and K136.19b from auctions of a 2-year Treasury Note conducted during the week. Open Market Operations (OMO) repos amounted to K90.00b.

Maturities of Government securities for the week amounted to K70.44b. These transactions resulted in a net withdrawal of K197.41b from the market during the week, compared to a net injection of K69.75b in the previous week (Source: RBM).

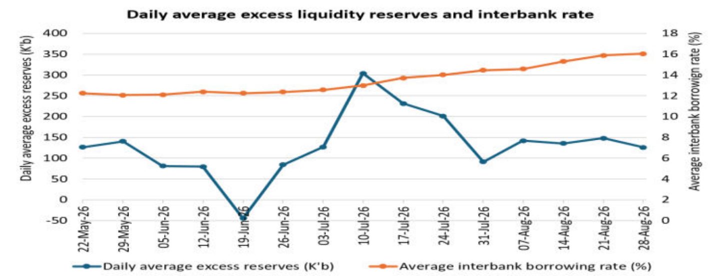


Treasury Bill auctions			
Auction date	25 & 26 Aug 2026	% pts Δ	18-Aug-26
Applied - cost value (K'm)	130,789.73	97.58%	66,196.27
Alloted - cost value (K'm)	41,663.25	-33.21%	62,381.59
Overall rejection rate	68.14%	62.38%	5.76%
91 days yield	12.0000%	0.00%	12.0000%
182 days yield	15.0000%	0.00%	15.0000%
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	26 & 27 Aug 2026	14-Aug-26	22, 24 & 26 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)	136.19	1.95	12.15
Total allotted - cost value (K'b)	136.19	0.00	12.15
Overall rejection rate	0.00%	100.00%	0.00%
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%	27-Aug-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	28-Aug-26	4-Sep-26	11-Sep-26
Treasury Bills, Promissory Notes & Treasury Notes (K'm)	70,438	22,794	143,211
Open Market Operations repos (K'm)	0	5,132	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 K125.97b during the week, increasing from an average of K147.83b in the previous week. Interbank borrowing averaged K195.40b per day from an average of K190.80b per day in the previous week. Borrowing on the Lombard Standing Facility amounted to K122.00b during the week, up from K29.00b in the previous week. The average interbank borrowing rate increased to 16.03% from 15.88% in the previous week. The Lombard rate remained fixed at 24.20% (Source: RBM).



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 loss of 0.23% to close the week at 499,480.96 points from 500,610.37 points in the previous week. The market traded 7,522,306 shares at a consideration of K7.25b in 739 trades, compared to 8,764,153 shares traded at a consideration of K10.62b in 634 trades in the previous week. The year-to-date return on MASI stood at -16.48% as at the end of the week, compared to 209.86% during the same period in 2025 (Source: MSE).

Stock market trading activity					
	28-Aug-26	% Δ	21-Aug-26		
MASI	499,480.96	-0.23%	500,610.37		
DSI	369,243.62	-0.27%	370,251.64		
FSI	95,652.19	-0.003%	95,654.64		
Traded volume	7,522,306	-14.17%	8,764,153		
Number of trades	739	16.56%	634		
Value of shares traded (K'm)	7,248.92	-31.72%	10,616.20		
Market capitalisation (K'm)	27,815,673.05	-0.23%	27,878,569.13		
Gainers	**Closing price (K)**	**% Δ**	**Opening price (K)**	**P/E ratio**	**P/BV ratio**
CHL	205.07	10.85%	185.00	15.34	8.13
BHL	17.52	0.06%	17.51	18.71	1.43
No movement	**Closing price (K)**	**% Δ**	**Opening price (K)**	**P/E ratio**	**P/BV ratio**
MPICO	19.59	0.00%	19.59	3.31	0.58
SUNBIRD	3,550.02	0.00%	3,550.02	74.42	6.75
Loser	**Closing price (K)**	**% Δ**	**Opening price (K)**	**P/E ratio**	**P/BV ratio**
OMU	5,300.00	-0.0002%	5,300.01	30.65	3.97
ILLOVO	3,502.11	-0.001%	3,502.13	32.36	11.60
NITL	3,599.88	-0.001%	3599.91	2.40	1.77
PCL	9,521.69	-0.002%	9,521.89	7.89	2.22
FMBCH	1,894.44	-0.003%	1,894.49	23.80	9.26
NBS	639.73	-0.04%	639.97	12.38	8.42
ICON	16.99	-0.06%	17.00	3.48	0.65
NICO	1,342.38	-0.07%	1,343.37	8.34	4.67
AIRTEL	101.86	-0.14%	102.00	21.86	18.26
TNM	28.45	-0.14%	28.49	15.44	3.20
FDHB	489.91	-0.40%	491.88	22.88	13.59
NBM	9,299.98	-1.06%	9,399.64	21.41	10.64
STANDARD	3,939.32	-1.27%	3,989.89	37.98	13.25

Data source: MSE

Corporate news

Published financial results for the half year ended 30 June 2026			
	2026 profit after tax	Growth	2025 profit after tax
Listed companies	USD'000	%	USD'000
FMB Capital Holdings Plc	86,290	18.39%	72,885
Listed banks	K'million	%	K'million
FDH Bank Plc	86,418	43.36%	60,279
National Bank of Malawi Plc	133,973	59.28%	84,109
NBS Bank Plc	90,232	23.19%	73,247
Standard Bank (Malawi) Plc	67,471	39.42%	48,394
Unlisted banks	K'million	%	K'million
CDH Investment Bank	41,024	124.08%	18,308
Centenary Bank	5,625	81.13%	3,105
Ecobank	37,276	27.27%	29,289
First Capital Bank	67,563	33.79%	50,501

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