Market update – 4th September 2026

Foreign exchange market developments

During the week, the Kwacha appreciated by 0.16% against the USD, 0.18% against the EUR and by 0.05% against the ZAR but depreciated by 0.22% against the GBP, as indicated by TT middle exchange rates below (Source: RBM).

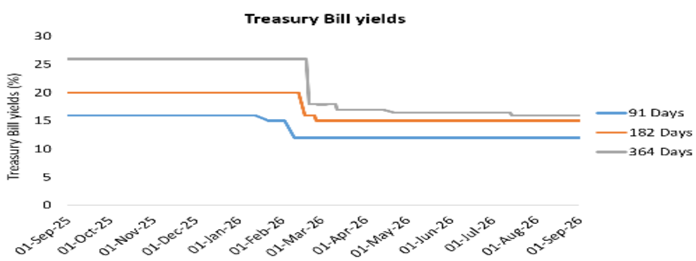
Closing TT middle exchange rates as at the end of the week				
Currency	4-Sep-26		% Δ	28-Aug-26
USD	1750.8668	▲	0.16%	1747.9890
GBP	2435.9374	▼	-0.22%	2441.3768
EUR	2096.7481	▲	0.18%	2092.8800
ZAR	111.9521	▲	0.05%	111.8957
Foreign exchange reserves position				
	30-Jun-26		31-May-26	30-Apr-26
Total foreign exchange reserves (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 20				
Date	Week 20 2026 (4 Sep 2026)		% Δ	Week 20 2025 (22 Aug 2025)
Volume (million kg)	143.73	▼	-28.74%	201.70
Value (USD'million)	284.92	▼	-44.12%	509.89
Average price (USD/Kg)	1.98	▼	-21.74%	2.53

Data source: Reserve Bank of Malawi (RBM)

Government securities

The Government raised a total of K14.38b from the auction of Treasury Bills and K34.87b from the auction of a 2-year Treasury Note conducted during the week.

Maturities of Government securities for the week amounted to K22.79b and maturities of Open Market Operations (OMO) repos amounted to K5.13b. These transactions resulted in a net withdrawal of K21.33b from the market during the week, compared to a net withdrawal of K197.41b in the previous week (Source: RBM).



Treasury Bill auctions				
Auction date	1-Sep-26		% pts Δ	25 & 26 Aug 2026
Applied - cost value (K'm)	96,186.13	▼	-26.46%	130,789.73
Alloted - cost value (K'm)	14,376.12	▼	-65.49%	41,663.25
Overall rejection rate	85.05%	▲	16.91%	68.14%
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	2 & 4 Sep 2026	26 & 27 Aug 2026	14-Aug-26
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)	39.87	136.19	1.95
Total allotted - cost value (K'b)	34.87	136.19	0
Overall rejection rate	12.54%	0.00%	100.00%
Allotted - weighted average ytm	18.00%	18.00%	

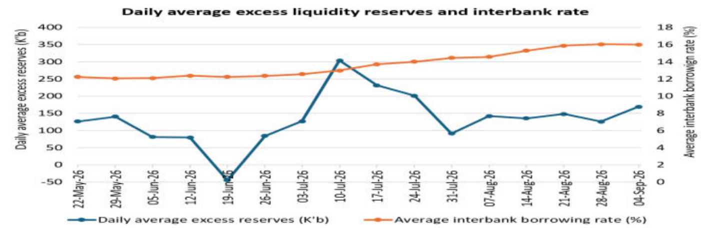
Current yields for Treasury Notes and Bonds			
Tenor	Last auction's yield	Last auction	Next auction
2-year Treasury Note	18.00%	01-Sep-26	TBA
2-year Development Bond	28.75%	05-Aug-25	TBA
3-year Treasury Note	30.00%	18-Dec-25	TBA
3-year Development Bond	30.00%	18-Nov-25	TBA
5-year Treasury Note	32.00%	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	4-Sep-26	11-Sep-26	18-Sep-26
Treasury Bills, Promissory Notes & Treasury Notes (K'm)	22,794	143,211	122,962
Open Market Operations repos (K'm)	5,132	0	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 K168.87b during the week, increasing from an average of K125.97b in the previous week. Interbank borrowing averaged K112.40b per day from an average of K195.40b per day in the previous week. Borrowing on the Lombard Standing Facility amounted to K673.60b during the week, up from K122.00b in the previous week. The average interbank borrowing rate marginally decreased to 16.00% from 16.03% 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				
	Sep-26		% pts Δ	Aug-26
Rate	21.20%	▲	0.40%	20.80%
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 1.85% to close the week at 490,238.23 points from 499,480.96 points in the previous week. The market traded 3,108,282 shares at a consideration of K670.02b in 592 trades, compared to 7,522,306 shares traded at a consideration of K7.25b in 739 trades in the previous week. The year-to-date return on MASI stood at -18.03% as at the end of the week, compared to 210.52% during the same period in 2025 (Source: MSE).

Stock market trading activity						
	04-Sep-26		% Δ	28-Aug-26		
MASI	490,238.23	▼	-1.85%	499,480.96		
DSI	366,667.68	▼	-0.70%	369,243.62		
FSI	88,623.34	▼	-7.35%	95,652.19		
Traded volume	3,108,282	▼	-58.68%	7,522,306		
Number of trades	592	▼	-19.89%	739		
Value of shares traded (K'm)	670.02	▼	-90.76%	7,248.92		
Market capitalisation (K'm)	27,300,953.01	▼	-1.85%	27,815,673.05		
Gainers	Closing price (K)		% Δ	Opening price (K)	P/E ratio	P/BV ratio
CHL	205.33	▲	0.13%	205.07	15.36	8.14
MPICO	19.61	▲	0.10%	19.59	3.32	0.58
ICON	17.00	▲	0.06%	16.99	3.48	0.65
OMU	5,300.01	▲	0.0002%	5,300.00	30.65	3.97
No movement	Closing price (K)		% Δ	Opening price (K)	P/E ratio	P/BV ratio
BHL	17.52	▬	0.00%	17.52	18.71	1.43
Loser	Closing price (K)		% Δ	Opening price (K)	P/E ratio	P/BV ratio
NITL	3,599.86	▼	-0.001%	3599.88	2.40	1.77
ILLOVO	3,502.06	▼	-0.001%	3,502.11	32.36	11.60
STANDARD	3,938.76	▼	-0.01%	3,939.32	37.98	13.25
PCL	9,520.00	▼	-0.02%	9,521.69	7.88	2.22
NICO	1,342.00	▼	-0.03%	1,342.38	8.34	4.67
AIRTEL	101.75	▼	-0.11%	101.86	21.84	18.24
NBM	9,250.00	▼	-0.54%	9,299.98	21.29	10.58
TNM	28.29	▼	-0.56%	28.45	15.35	3.18
NBS	633.74	▼	-0.94%	639.73	12.26	8.34
SUNBIRD	3,500.00	▼	-1.41%	3,550.02	73.37	6.66
FDHB	474.97	▼	-3.05%	489.91	22.18	13.17
FMBCH	1,750.31	▼	-7.61%	1,894.44	21.99	8.56

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
NICO Holdings Plc	100,645	▼	-19.43%	124,909
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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