Market update – 2nd October 2026

Foreign exchange market developments

During the week, the Kwacha remained relatively stable against the USD, appreciating marginally by 0.02%. It appreciated against the EUR and ZAR but marginally depreciated against the GBP, as shown by the TT middle exchange rates below (Source: RBM).

Closing TT middle exchange rates as at the end of the week			
Currency	2-Oct-26	% Δ	25-Sep-26
USD	1750.4966	0.02%	1750.8242
GBP	2371.8095	-0.003%	2371.7450
EUR	2028.5145	1.06%	2050.3193
ZAR	108.1354	1.44%	109.7122

Foreign exchange reserves position			
	31-Jul-26	30-Jun-26	31-May-26
Total foreign exchange reserves (Aggregate of RBM, Banks & FCDAs) (USD'm)	600.60	616.30	596.50
Total import cover (months)	2.40	2.50	2.40

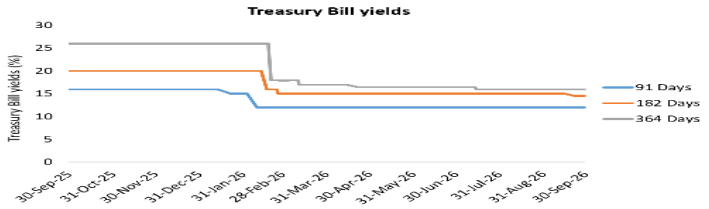
Cumulative tobacco sales statistics as at Week 23			
Date	Week 23 2026 (25 Sep 2026)	% Δ	Week 23 2025 (12 Sep 2025)
Volume (million kg)	145.33	-30.89%	210.28
Value (USD'million)	287.09	-45.44%	526.18
Average price (USD/Kg)	1.98	-20.80%	2.50

Data source: Reserve Bank of Malawi (RBM)

Government securities

During the week, the Government raised K6.26b from the auction of Treasury Bills and K8.99b from the auction of a 2-year Treasury Note. Open Market Operations (OMO) repos amounted to K70.00b.

Government securities worth K84.50b matured during the week. These transactions resulted in a net market withdrawal of K0.75b, compared with a net withdrawal of K200.98b in the previous week (Source: RBM).



Treasury Bill auctions			
Auction date	29-Sep-26	% pts Δ	22 & 24 Sep 2026
Applied - cost value (K'm)	6,261.55	45.99%	4,288.97
Alloted - cost value (K'm)	6,261.55	48.92%	4,204.61
Overall rejection rate	0.00%	-1.97%	1.97%
91 days yield	12.0000%	0.00%	12.0000%
182 days yield	14.5000%	0.00%	14.5000%
364 days yield	16.0000%	0.00%	16.0000%
All-type yield	14.1667%	0.00%	14.1667%

Treasury Note and Bond auctions			
Auction dates	1-Oct-26	22 & 24 Sep 2026	16-Sep-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)	8.99	114.13	0.24
Total allotted - cost value (K'b)	8.99	114.13	
Overall rejection rate	0.00%	0.00%	100.00%
Allotted - weighted average ytm	18.00%	18.00%	

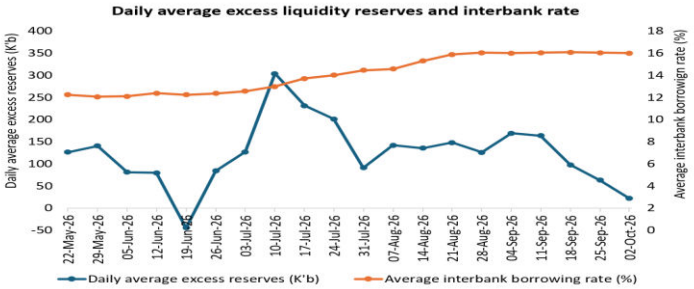
Current yields for Treasury Notes and Bonds			
Tenor	Last auction's yield	Last auction	Next auction
2-year Treasury Note	18.00%	01-Oct-26	TBA
2-year Development Bond	28.75%	05-Aug-25	TBA
3-year Treasury Note	30.00%	18-Dec-25	TBA
3-year Development Bond	30.00%	18-Nov-25	TBA
5-year Treasury Note	32.00%	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	2-Oct-26	9-Oct-26	16-Oct-26
Treasury Bills, Promissory Notes & Treasury Notes (K'm)	84,495	5,269	85,475
Open Market Operations repos (K'm)	0	0	30,210
Open Market Operations reverse repos (K'm)	0	0	0

Data source: RBM

Market liquidity and interbank market activity

Daily excess liquidity reserves averaged K21.61b during the week, decreasing from an average of K63.04b in the previous week. Interbank borrowing averaged K173.90b per day from an average of K88.00b per day in the previous week. Borrowing on the Lombard Standing Facility amounted to K940.25b during the week, down from K965.00b in the previous week. The average interbank borrowing rate marginally decreased to 16.00% from 16.05% 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			
	Oct-26	% pts Δ	Sep-26
Rate	21.40%	0.20%	21.20%

Inflation Rate			
	Aug-26	% pts Δ	Jul-26
Rate	20.00%	-0.80%	20.8%

Malawi Stock Exchange (MSE) trading activity

The Malawi All Share Index (MASI) registered a loss of 0.15% to close the week at 488,941.49 points from 489,687.34 points in the previous week. The market traded 8,024,460 shares at a consideration of K2.40b in 521 trades, compared to 1,902,669 shares traded at a consideration of K697.02m in 577 trades in the previous week. The year-to-date return on MASI stood at -18.25% as at the end of the week, compared to 244.68% during the same period in 2025 (Source: MSE).

Stock market trading activity			
	02-Oct-26	% Δ	25-Sep-26
Malawi All Share Index (MASI)	488,941.49	-0.15%	489,687.34
Domestic Share Index (DSI)	364,785.53	-0.06%	365,017.54
Foreign Share Index (FSI)	89,515.62	-0.60%	90,052.88
Traded volume	8,024,460	321.75%	1,902,669
Number of trades	521	-9.71%	577
Value of shares traded (K'm)	2,402.97	244.75%	697.02
Market capitalisation (K'm)	27,230,005.39	-0.15%	27,271,543.23

Gainers	Closing price (K)	% Δ	Opening price (K)	P/E ratio	P/BV ratio
NBS	628.61	5.50%	595.82	12.16	8.27
ICON	17.00	0.18%	16.97	3.48	0.65
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	19.61	0.00%	19.61	3.32	0.58
OMU	3,700.00	0.00%	3,700.00	21.56	2.79
Loser	**Closing price (K)**	**% Δ**	**Opening price (K)**	**P/E ratio**	**P/BV ratio**
SUNBIRD	3,499.97	0.00%	3,500.00	73.37	6.66
ILLOVO	3,501.99	-0.002%	3,502.05	32.36	11.60
NITL	3,288.88	-0.003%	3288.99	2.20	1.62
PCL	312.77	-0.01%	312.79	9.07	2.55
NICO	1,336.93	-0.05%	1,337.66	8.31	4.65
AIRTEL	101.88	-0.08%	101.96	21.87	18.26
CHL	208.85	-0.12%	209.11	15.63	8.28
NBM	9,123.99	-0.24%	9,145.73	21.00	10.44
TNM	25.49	-0.47%	25.61	13.83	2.87
FMBCH	1,788.98	-0.61%	1,800.00	22.47	8.74
STANDARD	3,899.98	-0.98%	3,938.48	37.60	13.12
FDHB	460.20	-1.58%	467.57	21.49	12.77

Data source: MSE

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