Market update – 23rd October 2026

Foreign exchange market developments

During the week, the Kwacha remained relatively stable against the USD, depreciating marginally by 0.05%. It also depreciated against the GBP but appreciated against the EUR and ZAR, as shown by the TT middle exchange rates below (Source: RBM).

Closing TT middle exchange rates as at the end of the week			
Currency	23-Oct-26	% Δ	16-Oct-26
USD	1750.6314	-0.05%	1749.6861
GBP	2411.3374	-0.58%	2397.4771
EUR	2002.8466	1.04%	2023.9761
ZAR	108.7079	0.13%	108.8464

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

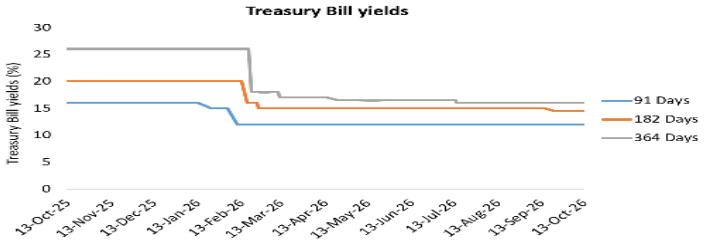
Cumulative tobacco sales statistics as at Week 23			
Date	Week 23 2026 (25 Sep 2026)	% Δ	Final 2025 (28 Nov, after 35 weeks)
Volume (million kg)	145.33	-34.32%	221.27
Value (USD'million)	287.09	-47.06%	542.31
Average price (USD/Kg)	1.98	-19.18%	2.45

Data source: Reserve Bank of Malawi (RBM)

Government securities

Treasury Bill and 2-year Treasury Note auctions conducted during the week recorded no successful bids. Meanwhile, Open Market Operations (OMO) repos totalled K32.06b.

Government securities maturities totalled K194.60b, while OMO repo maturities amounted to K15.05b. Overall, government securities and OMO repo transactions resulted in a net market liquidity injection of K177.59b, up from K11.34b in the previous week (Source: RBM).



Treasury Bill auctions			
Auction date	13-Oct-26	% pts Δ	6, 8 & 9 Oct 2026
Applied - cost value (K'm)	40,426.76	-3.97%	42,097.16
Alloted - cost value (K'm)	40,426.76	-3.84%	42,041.80
Overall rejection rate	0.00%	-0.13%	0.13%
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	8 & 9 Oct 2026	1-Oct-26	22 & 24 Sep 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)	36.29	8.99	114.13
Total allotted - cost value (K'b)	36.29	8.99	114.13
Overall rejection rate	0.00%	0.00%	0.00%
Allotted - weighted average ytm	18.00%	18.00%	18.00%

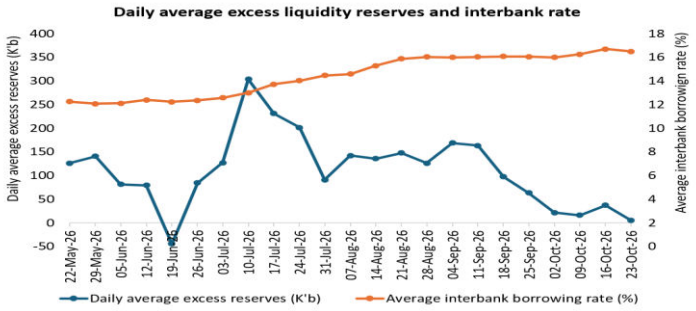
Current yields for Treasury Notes and Bonds			
Tenor	Last auction's yield	Last auction	Next auction
2-year Treasury Note	18.00%	09-Oct-26	TBA
2-year Development Bond	28.75%	05-Aug-25	TBA
3-year Treasury Note	30.00%	18-Dec-25	TBA
3-year Development Bond	30.00%	18-Nov-25	TBA
5-year Treasury Note	32.00%	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	23-Oct-26	30-Oct-26	6-Nov-26
Treasury Bills, Promissory Notes & Treasury Notes (K'm)	194,596	50,269	38,778
Open Market Operations repos (K'm)	15,049	131,898	0
Open Market Operations reverse repos (K'm)	0	0	0

Data source: RBM

Market liquidity and interbank market activity

Market liquidity remained tight during the week as average daily excess reserves fell to K5.25b from K37.11b and average daily interbank borrowing declined to K19.80b from K70.50b. Average daily borrowing through the Lombard Standing Facility increased to K317.90b from K292.00b. The interbank rate eased to 16.50% from 16.69%, while the Lombard rate remained unchanged 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			
	Sep-26	% pts Δ	Aug-26
Rate	19.40%	-0.60%	20.0%

Malawi Stock Exchange (MSE) trading activity

Stock market performance remained weak during the week, with the Malawi All Share Index (MASI) declining by 0.36% to 484,422.99 points from 486,186.25 points in the previous week. Trading volume decreased to 1,025,316 shares from 5,678,115 shares, while the traded value declined to K220.56m from K479.18m and the number of trades fell to 460 from 472. The MASI recorded a year-to-date return of -19.00%, compared with 243.47% over the corresponding period in 2025 (Source: MSE).

Stock market trading activity					
	23-Oct-26	% Δ	16-Oct-26		
Malawi All Share Index (MASI)	484,422.99	-0.36%	486,186.25		
Domestic Share Index (DSI)	360,849.99	-0.43%	362,422.56		
Foreign Share Index (FSI)	89,385.44	-0.01%	89,390.80		
Traded volume	1,025,316	-81.94%	5,678,115		
Number of trades	460	-2.54%	472		
Value of shares traded (K'm)	220.56	-53.97%	479.18		
Market capitalisation (K'm)	26,978,361.95	-0.36%	27,076,561.33		
Gainers	**Closing price (K)**	**% Δ**	**Opening price (K)**	**P/E ratio**	**P/BV ratio**
None					
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
ICON	17.00	0.00%	17.00	3.48	0.65
ILLOVO	3,501.93	0.00%	3,501.93	32.36	11.60
MPICO	19.61	0.00%	19.61	3.32	0.58
NITL	3,288.79	0.00%	3288.79	2.20	1.62
OMU	3,699.99	0.00%	3,699.99	21.56	2.79
SUNBIRD	3,399.98	0.00%	3,399.98	71.27	6.47
Losers	**Closing price (K)**	**% Δ**	**Opening price (K)**	**P/E ratio**	**P/BV ratio**
STANDARD	3,889.79	-0.002%	3,889.88	37.50	13.09
FMBCH	1,786.31	-0.01%	1,786.42	22.44	8.73
NICO	1,333.28	-0.05%	1,333.95	8.29	4.64
FDHB	459.33	-0.06%	459.59	21.45	12.74
PCL	312.03	-0.09%	312.31	9.04	2.54
TNM	21.62	-0.09%	21.64	11.73	2.43
AIRTEL	101.29	-0.12%	101.41	21.74	18.16
NBS	619.53	-0.34%	621.63	11.99	8.15
CHL	204.93	-1.51%	208.08	15.33	8.13
NBM	8,899.99	-1.82%	9,064.89	20.48	10.18

Data source: MSE

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