Market update – 25th September 2026

Foreign exchange market developments

During the week, the Kwacha remained relatively stable against the USD, depreciating marginally by 0.04%. It appreciated against the GBP, 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	25-Sep-26	% Δ	18-Sep-26
USD	1750.8242	▼ -0.04%	1750.2016
GBP	2371.7450	▲ 1.23%	2401.1594
EUR	2050.3193	▲ 0.29%	2056.2846
ZAR	109.7122	▲ 1.08%	110.9078

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

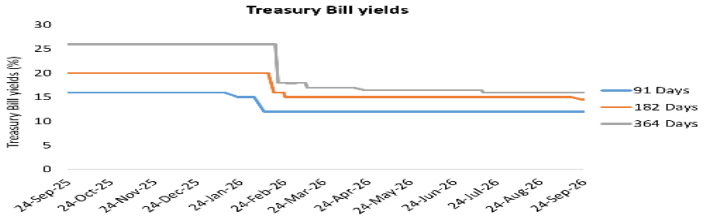
Cumulative tobacco sales statistics as at Week 23			
Date	Week 23 2026 (25 Sep 2026)	% Δ	Week 23 2025 (12 Sep 2025)
Volume (million kg)	145.33	▼ -30.89%	210.28
Value (USD'million)	287.09	▼ -45.44%	526.18
Average price (USD/Kg)	1.98	▼ -20.80%	2.50

Data source: Reserve Bank of Malawi (RBM)

Government securities

During the week, the Government raised K4.20b from the auction of Treasury Bills and K114.13b from the auction of a 2-year Treasury Note. Open Market Operations (OMOs) amounted to K305.00b during the week.

Government securities worth K63.75b matured during the week and maturities of OMO repos amounted to K158.60b. These transactions resulted in a net market withdrawal of K200.98b, compared with a net injection of K58.67b in the previous week (Source: RBM).



Treasury Bill auctions			
Auction date	22 & 24 Sep 2026	% pts Δ	15-Sep-26
Applied - cost value (K'm)	4,288.97	▼ -96.50%	122,663.08
Alloted - cost value (K'm)	4,204.61	▼ -93.46%	64,291.54
Overall rejection rate	1.97%	▼ -45.62%	47.59%
91 days yield	12.0000%	0.00%	12.0000%
182 days yield	14.5000%	▼ -3.33%	15.0000%
364 days yield	16.0000%	0.00%	16.0000%
All-type yield	14.1667%	▼ -1.16%	14.3333%

Treasury Note and Bond auctions			
Auction dates	22 & 24 Sep 2026	16-Sep-26	7, 8, 9, 10 & 11 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)	114.13	0.24	57.191
Total allotted - cost value (K'b)	114.13		50.851
Overall rejection rate	0.00%	100.00%	11.09%
Allotted - weighted average ytm	18.00%		18.00%

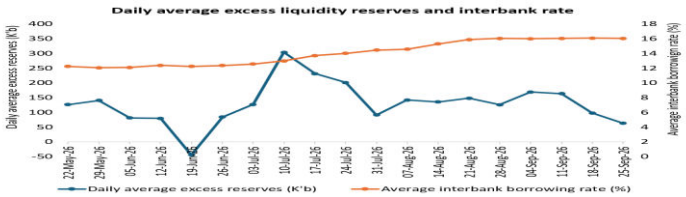
Current yields for Treasury Notes and Bonds			
Tenor	Last auction's yield	Last auction	Next auction
2-year Treasury Note	18.00%	24-Sep-26	TBA
2-year Development Bond	28.75%	05-Aug-25	TBA
3-year Treasury Note	30.00%	18-Dec-25	TBA
3-year Development Bond	30.00%	18-Nov-25	TBA
5-year Treasury Note	32.00%	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	25-Sep-26	2-Oct-26	9-Oct-26
Treasury Bills, Promissory Notes & Treasury Notes (K'm)	63,746	84,495	5,269
Open Market Operations repos (K'm)	158,601	0	0
Open Market Operations reverse repos (K'm)	0	0	0

Data source: RBM

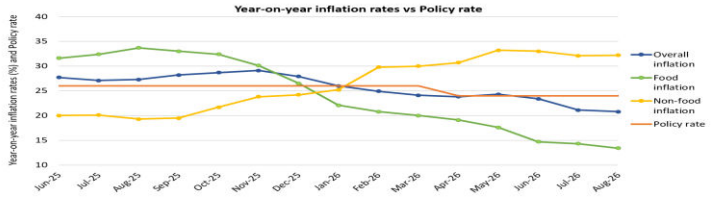
Market liquidity and interbank market activity

Daily excess liquidity reserves averaged K63.04b during the week, decreasing from an average of K97.48b in the previous week. Interbank borrowing averaged K88.00b per day from an average of K101.10b per day in the previous week. Borrowing on the Lombard Standing Facility amounted to K965.00b during the week, up from K374.00b in the previous week. The average interbank borrowing rate marginally decreased to 16.05% from 16.08% in the previous week. The Lombard rate remained fixed at 24.20% (Source: RBM).



Inflation

The year-on-year headline inflation rate decreased to 20.0% in August 2026 from 20.8% in July 2026 as food inflation rate decreased to 13.4% in August 2026 from 14.3% in July 2026 and non-food inflation rate decreased to 31.8% in August 2026 from 32.2% in July 2026 (Source: NSO).



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			
	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 1.48% to close the week at 489,687.34 points from 497,043.45 points in the previous week. The market traded 1,902,669 shares at a consideration of K697.02m in 577 trades, compared to 5,847,589 shares traded at a consideration of K1.51b in 800 trades in the previous week. The year-to-date return on MASI stood at -18.12% as at the end of the week, compared to 236.16% during the same period in 2025 (Source: MSE).

Stock market trading activity					
	25-Sep-26	% Δ	18-Sep-26		
Malawi All Share Index (MASI)	489,687.34	▼ -1.48%	497,043.45		
Domestic Share Index (DSI)	365,017.54	▼ -0.79%	367,925.39		
Foreign Share Index (FSI)	90,052.88	▼ -4.79%	94,586.48		
Traded volume	1,902,669	▼ -67.46%	5,847,589		
Number of trades	577	▼ -27.88%	800		
Value of shares traded (K'm)	697.02	▼ -53.81%	1,509.09		
Market capitalisation (K'm)	27,271,543.23	▼ -1.48%	27,681,217.82		
Gainers	**Closing price (K)**	**% Δ**	**Opening price (K)**	**P/E ratio**	**P/BV ratio**
ILLOVO	3,502.05	▲ 0.001%	3,502.00	32.36	11.60
No movement	**Closing price (K)**	**% Δ**	**Opening price (K)**	**P/E ratio**	**P/BV ratio**
ICON	16.97	0.00%	16.97	3.47	0.65
MPICO	19.61	0.00%	19.61	3.32	0.58
NITL	3,288.99	0.00%	3288.99	2.20	1.62
OMU	3,700.00	0.00%	3,700.00	21.56	2.79
SUNBIRD	3,500.00	0.00%	3,500.00	73.37	6.66
Loser	**Closing price (K)**	**% Δ**	**Opening price (K)**	**P/E ratio**	**P/BV ratio**
STANDARD	3,938.48	▼ -0.003%	3,938.58	37.97	13.25
PCL	312.79	▼ -0.003%	312.80	9.07	2.55
AIRTEL	101.96	▼ -0.01%	101.97	21.88	18.28
BHL	17.51	▼ -0.06%	17.52	18.70	1.43
FDHB	467.57	▼ -0.08%	467.93	21.83	12.97
CHL	209.11	▼ -0.11%	209.35	15.65	8.29
NICO	1,337.66	▼ -0.14%	1,339.47	8.31	4.66
NBM	9,145.73	▼ -1.09%	9246.91	21.05	10.47
FMBCH	1,800.00	▼ -4.91%	1,892.99	22.61	8.80
NBS	595.82	▼ -5.41%	629.92	11.53	7.84
TNM	25.61	▼ -8.99%	28.14	13.9	2.88

Data source: MSE

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