



Malawi Financial Market Update

Week ending 18 March 2022

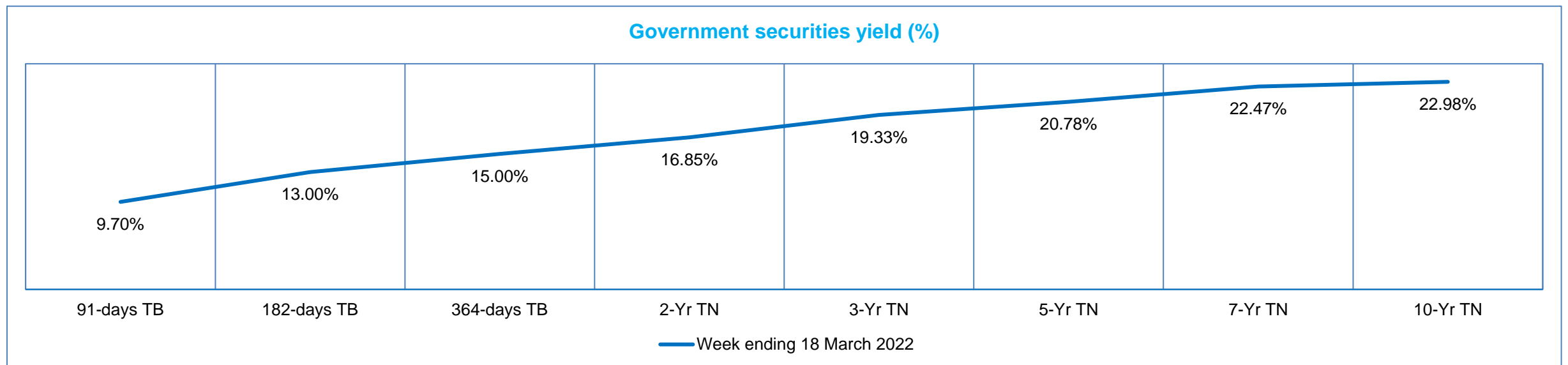
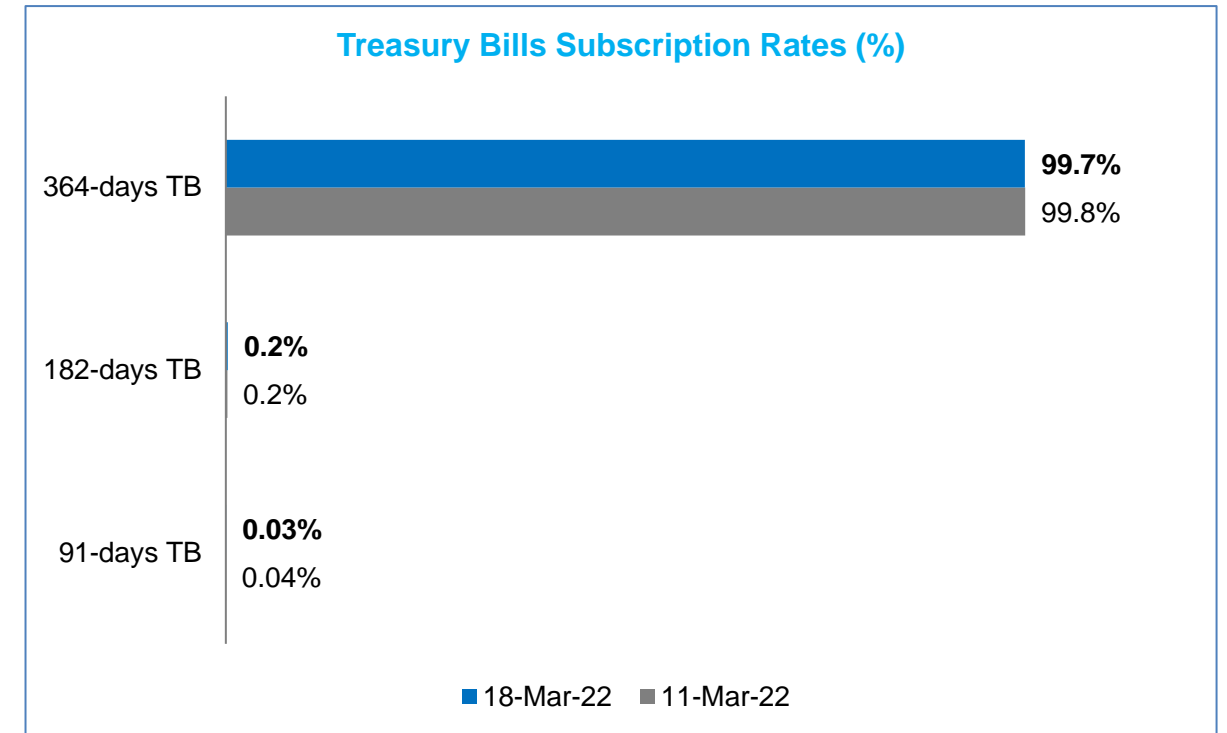
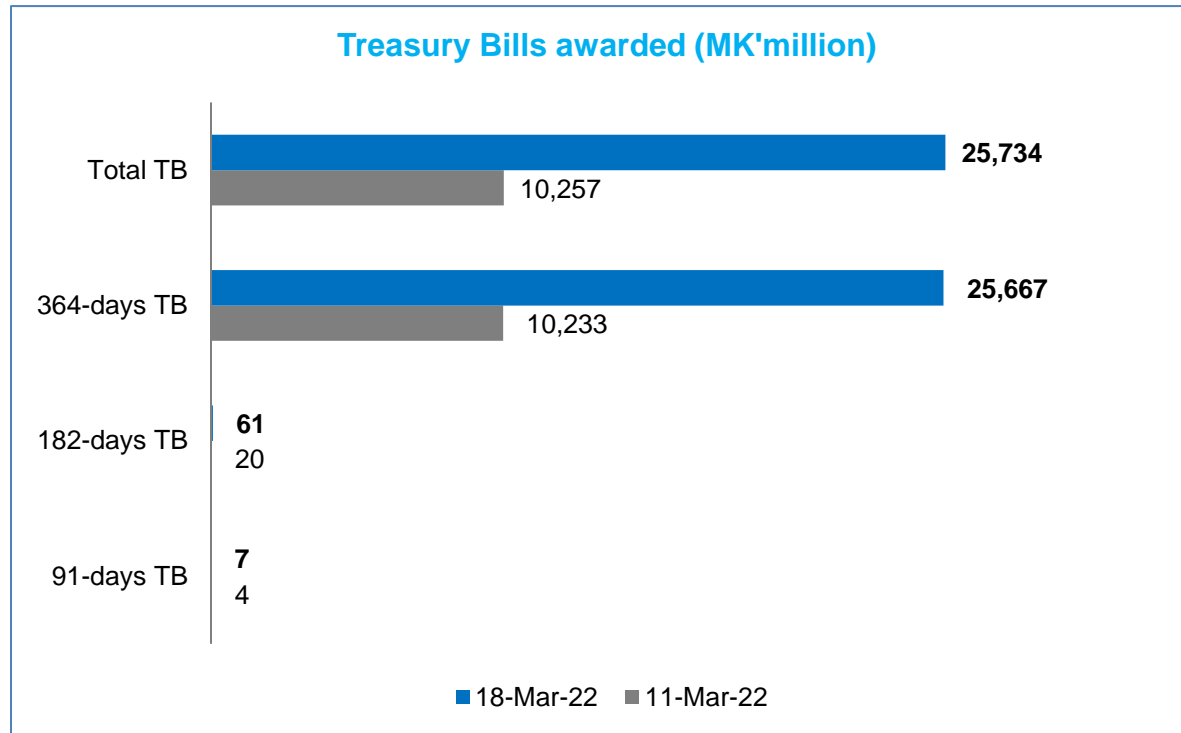


Government securities (Source: RBM)

A total of MK25.73 billion was awarded in this week's auctions of Treasury Bills (TBs) with a rejection rate of 3.3%.

The average TB yield maintained its position at 12.57% during the period under review.

The 364-days TB had the highest subscription rate at 99.75% during the period under review.



TB: Treasury Bill
TN: Treasury Note

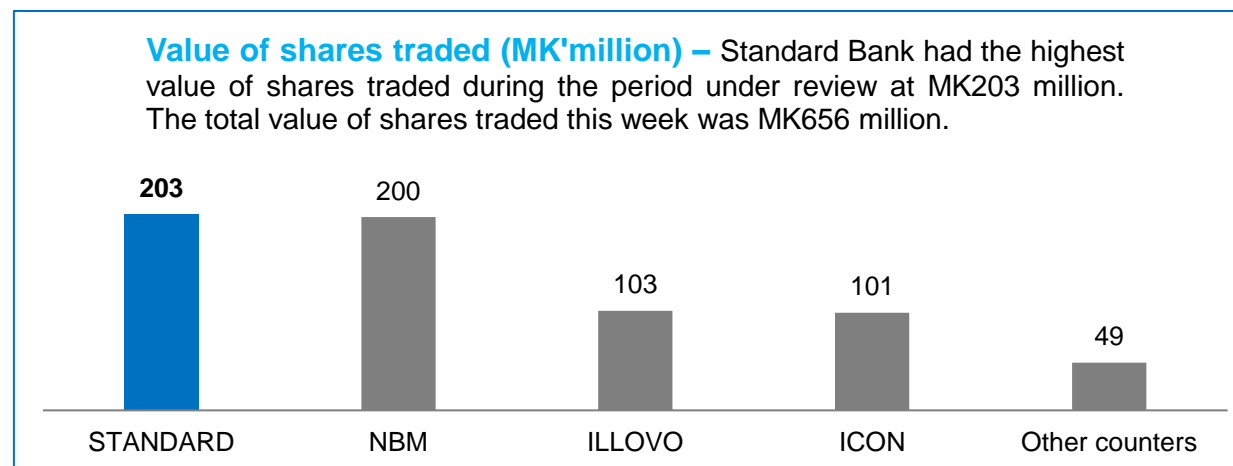
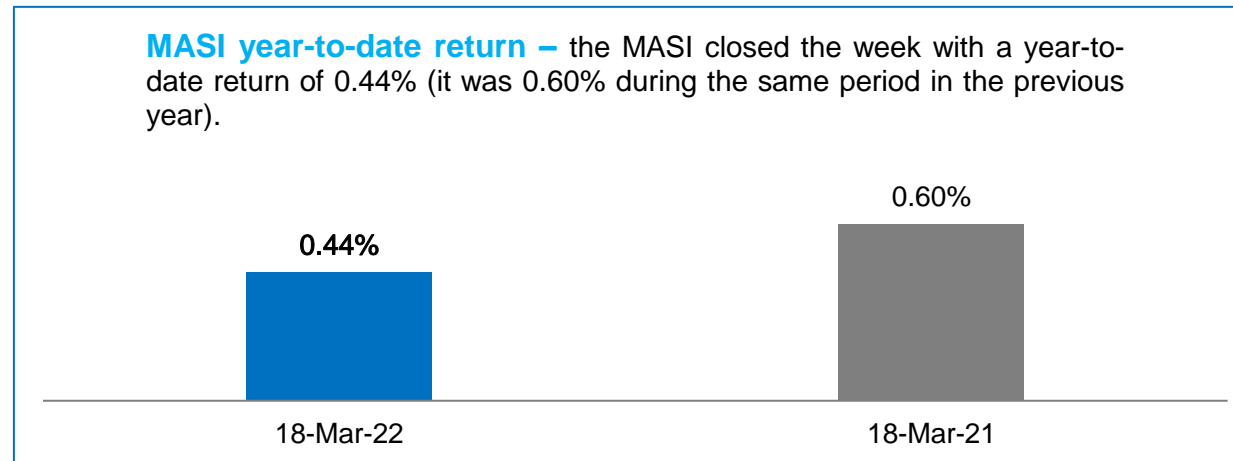
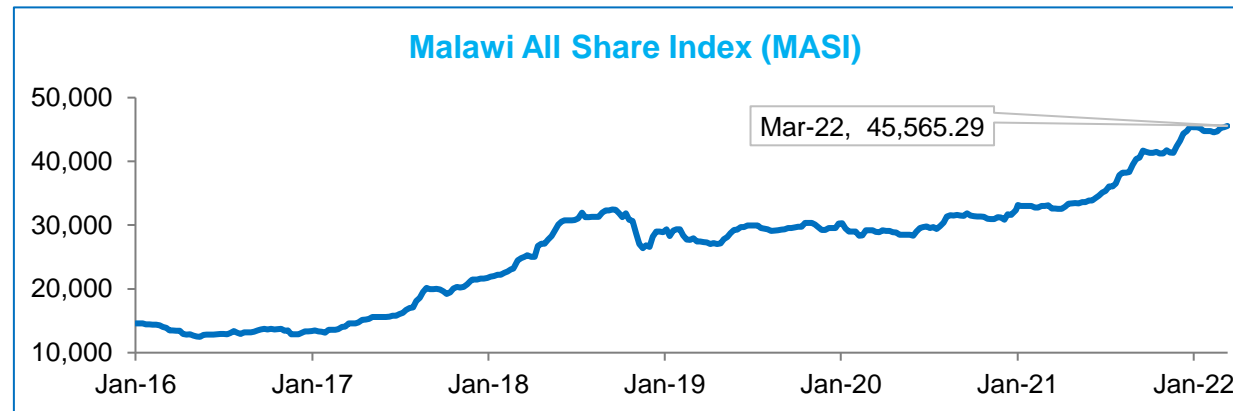


Financial Market Update: Week ending 18 March 2022

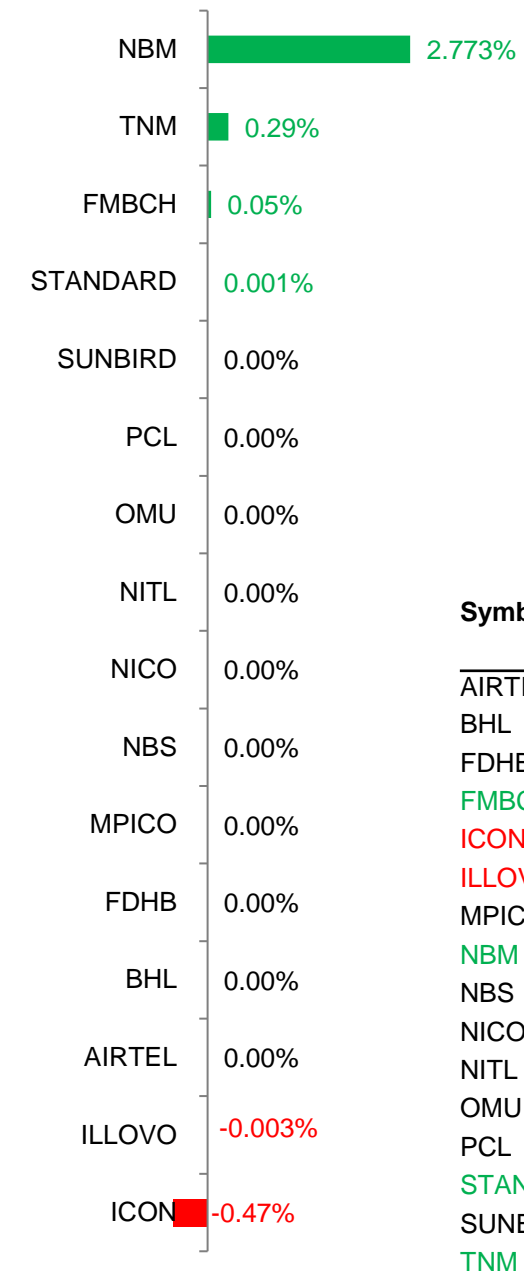
Stock market (Source: MSE)

The stock market was marginally bullish over the period with the Malawi All Share Index (MASI) closing the week ending 18 March 2022 at 45,565.29 points from 45,344.25 points for the week ending 11 March 2022. Week-on-week, this represents an increase of 0.49%.

There was a share price gain for NBM and marginal share price gains for TNM, FMBCH and Standard Bank during the period under review. The share price gains offset marginal share price losses for ILLOVO and ICON during the period under review.



Week-on-week share price gains/losses (%)



Symbol	Closing prices as at 18 March 2022 (MK/share)
AIRTEL	42.00
BHL	11.01
FDHB	14.11
FMBCH	80.00
ICON	12.79
ILLOVO	305.42
MPICO	20.70
NBM	925.00
NBS	22.80
NICO	55.00
NITL	95.00
OMU	1,785.00
PCL	1,900.00
STANDARD	1,400.09
SUNBIRD	90.02
TNM	17.50



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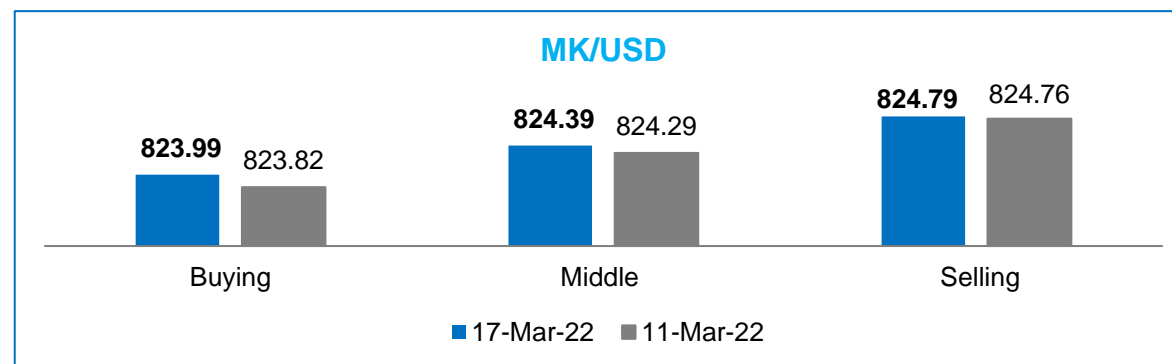
Foreign currency market and other market developments (Source: RBM, MSE)

According to their preliminary annual results for the period ended 31 December 2021, Old Mutual closed the period with a profit after tax of ZAR7.21 billion, an increase of 42% from ZAR5.09 billion in the previous period.

Year-to-date, the Malawi Kwacha has marginally depreciated against the United States Dollar by 0.62%.

Week-on-week, the Malawi Kwacha remained relatively stable, trading at MK824.39/USD as at 17 March 2022.

Foreign currency (Source: RBM)



Corporate Announcements

Half year Trading Statements

The following companies wish to advise the public that their profit/loss after tax for the half year is expected to be higher or lower than the previous corresponding period by the specified amount.

Amounts in billions of Malawi Kwacha unless specified otherwise.

Counter	Expected profit/(loss) for the half year ending 28 February 2022	Actual profit/(loss) for the half year ended 28 February 2021	Trading statement profit/(loss) expectation
Illovo	8.87	6.12	45%

Dividends

Counter	Dividend type	Proposed/declared	Dividend per share (MK)	Last day to register	Date of payment
NBM	Second interim	Declared	15.00	11 March 2022	31 March 2022
Illovo	Final	Declared	4.00	25 March 2022	31 March 2022

Coupon payment on MyBucks MK9 billion Medium Term Note

Medium Term Note Tranches	Tranches Amount	Coupon Rate (%)	Coupon Amount
Series A, Tranche 2	3,000,000,000	12.80	94,684,932
Series A, Tranche 2	6,000,000,000	18.29	270,576,986
Totals	9,000,000,000		365,261,986

Last day to register	Date of coupon payment	Coupon payment period
25 March 2022	31 March 2022	1 January 2022 – 31 March 2022

AFS – Audited Financial Statements

PAT – Profit After Tax (12 months/Full year)

Note: The reported closing rates are actual trade-weighted market average Telegraphic Transfer rates.

Cautionary Statements

Press Corporation plc (PCL) wishes to inform its shareholders and the public that in line with its strategy, PCL has completed the disposal of its 100% stake in Peoples Trading Centre Limited (PTC) to Tafika Holdings Limited. The disposal is a strategic move for PCL to move out of retail business and concentrate on capital intensive investments so as to enhance shareholder value.

Latest Summary Published Accounts

Amounts in billions of Malawi Kwacha unless specified otherwise.

Counter	31 December 2021	31 December 2020	Actual Change in Profit/Loss
Standard Bank	24.77	23.74	4%
Old Mutual (ZAR'billion)	7.21	5.09	42%

Financial year Trading Statements

Amounts in billions of Malawi Kwacha unless specified otherwise.

Counter	Expected PAT 2021	AFS PAT 2020	Trading statement profit/(loss) expectation
Press Corporation Plc	29.8	19.9	50%
FMBCH Plc (USD'million)	37.28	21.3	75%
Sunbird Tourism Plc	0.59	(1.18)	150%
Airtel Malawi Plc	29.82	22.09	35%
MPICO plc	6.08	4.34	40%
BHL plc	(0.87)	(0.45)	(93%)
TNM plc	9.28	7.73	20%
NBM plc	29.19	22.45	30%
NITL plc	4.44	1.48	200%
NBS plc	8.46	7.05	20%

What Happened This Week

- Protrade Group Limited has been licensed as a new tobacco buying firm and this is expected to intensify competition and improve tobacco prices. The newly licensed buyer is the first fully Malawian-owned company to buy tobacco on the local market. Its licensing brings the total number of licensed tobacco buying firms to 10 (*The Nation*, 14-March-22).
- According to the Famine Early Warning Systems Network (FEWSNET) informal maize exports increased by 107% in February 2022 compared to January 2022, and 812% higher than the 5-year average. This is a result of growing demand for maize in the East African region amid severe drought as well as low domestic maize prices (*The Nation*, 18-March-22).



Appendix: Historical Economic Indicators

	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Week ending 18 March 2022
Exchange rates (middle rates)																		
MK/USD	759.47	765.92	776.82	776.49	787.03	790.30	797.66	800.17	811.95	817.43	820.40	822.17	821.34	822.88	818.44	822.81	822.10	824.39
MK/GBP	1,015.11	1,061.76	1,070.14	1,107.24	1,140.90	1,139.62	1,164.37	1,191.58	1,192.94	1,203.74	1,196.67	1,168.72	1,201.21	1,194.23	1,208.01	1,211.73	1,283.92	1,257.37
MK/EUR	925.23	958.34	987.95	991.78	1,006.72	993.04	1,035.48	1,042.52	1,032.04	1,048.56	1,044.60	1,026.14	1,037.74	1,099.91	1,138.47	1,072.50	1,170.30	1,243.38
MK/ZAR	49.18	53.09	56.43	54.60	55.69	56.13	59.33	62.28	61.42	60.79	60.90	58.90	59.04	57.21	57.68	61.82	64.84	68.31
Foreign Exchange Reserves																		
Gross Official Reserves (USD'mn)	635.05	584.89	574.26	502.98	483.38	410.16	392.01	414.41	424.99	404.18	604.50	521.87	405.66	389.26	429.17	399.98	385.40	-
Private Sector Reserves (USD'mn)	340.22	332.51	377.97	358.29	340.50	342.58	392.61	369.64	388.78	405.79	389.47	386.05	384.75	404.81	425.52	424.49	407.22	-
Total reserves (USD'mn)	975.27	917.4	952.23	861.27	823.88	752.74	784.62	784.05	813.77	809.97	993.97	907.92	790.41	794.07	854.69	824.47	792.62	-
Gross Official Reserves Import cover (months)	3.04	2.80	2.75	2.41	2.31	1.96	1.88	1.77	1.70	1.62	2.42	2.09	1.62	1.56	1.72	1.60	1.54	-
Inflation																		
Headline	7.50%	7.30%	7.60%	7.70%	8.30%	9.40%	9.2%	8.9%	9.1%	8.7%	8.4%	8.9%	9.8%	11.1%	11.5%	12.1%	-	-
Food	10.90%	10.40%	10.50%	9.70%	10.30%	11.70%	11.5%	11.0%	11.1%	10.3%	9.7%	10.9%	11.8%	12.8%	13.6%	14.2%	-	-
Non-food	4.40%	4.40%	4.90%	5.60%	6.30%	6.90%	7.0%	7.1%	7.2%	7.2%	7.2%	7.2%	7.8%	9.5%	9.5%	9.6%	-	-
Interest Rates																		
Monetary Policy rate	13.50%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Average Interbank rate	13.62%	12.51%	11.41%	11.34%	10.67%	11.37%	11.72%	13.36 %	11.94%	11.96%	11.98%	11.98%	11.98%	11.98%	11.98%	11.15%	11.70%	11.70%
Average base lending rate	13.60%	13.60%	12.30%	12.10%	12.00%	11.90%	12.10%	12.10%	12.20%	12.20%	12.20%	12.20%	12.20%	12.20%	12.20%	12.20%	12.20%	12.20%
Government Securities' Yields																		
91-days Treasury Bill	9.95%	9.95%	9.95%	9.95%	9.95%	9.95%	9.88%	9.98%	9.62%	9.33%	9.60%	9.59%	9.60%	9.58%	9.70%	9.70%	9.47%	9.70%
182-days Treasury Bill	12.87%	12.73%	12.49%	12.59%	12.80%	12.80%	12.77%	12.80%	12.81%	12.96%	12.96%	12.98%	12.98%	12.98%	13.00%	13.00%	12.99%	13.00%
364-days Treasury Bill	13.88%	13.40%	13.53%	13.64%	13.77%	13.80%	13.80%	13.83%	13.87%	12.06%	14.08%	14.20%	14.20%	14.22%	14.47%	15.00%	15.00%	15.00%
2-year Treasury Note	16.46%	16.46%	16.46%	16.50%	16.50%	16.50%	16.50%	16.51%	16.65%	16.63%	16.63%	16.63%	16.64%	16.64%	16.66%	16.70%	16.70%	16.85%
3-year Treasury Note	18.47%	17.79%	18.30%	18.56%	18.66%	18.66%	18.80%	18.80%	18.97%	19.00%	18.99%	18.99%	18.99%	19.00%	19.05%	19.04%	19.33%	19.33%
5-year Treasury Note	19.82%	19.82%	19.77%	19.95%	19.97%	19.98%	19.98%	19.98%	20.08%	20.00%	20.09%	20.26%	20.44%	20.53%	20.54%	20.78%	20.78%	20.78%
7-year Treasury Note	20.75%	19.95%	20.00%	20.00%	20.50%	20.50%	20.50%	20.50%	20.59%	20.98%	21.36%	21.36%	21.36%	21.15%	20.94%	20.94%	21.98%	22.47%
10-year Treasury Note	22.14%	22.14%	22.50%	22.50%	22.50%	22.50%	22.50%	22.50%	21.85%	22.54%	23.01%	23.25%	23.00%	22.50%	22.50%	22.98%	22.98%	22.98%
Stock Market Indices																		
MASI	31,303.78	31,225.08	32,392.84	32,988.58	33,009.75	32,562.96	33,380.63	33,676.89	35,144.56	36,496.03	38,945.62	41,550.15	41,458.37	41,565.98	45,367.68	44,501.63	45,472.09	45,565.29
DSI	26,787.57	26,717.15	27,755.46	28,090.02	28,108.19	27,710.72	28,257.89	28,376.03	28,739.26	29,749.56	31,959.22	34,266.54	34,188.36	34,284.11	37,061.70	36,322.34	37,186.63	37,268.01
FSI	1,362.39	1,362.89	1,363.88	1,613.58	1,614.45	1,614.33	1,844.72	2,030.51	3,234.45	3,479.97	3,479.97	3,450.70	3,450.25	3,450.24	4,223.15	4,183.22	4,182.23	4,184.21

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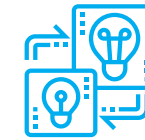
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