



Malawi Financial Market Update

Week ending 15 April 2022

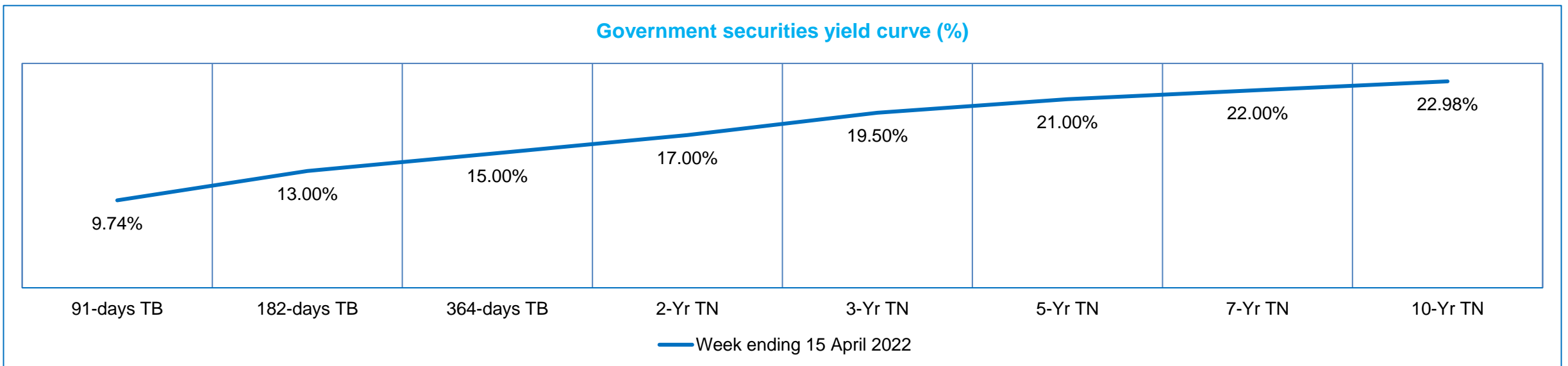
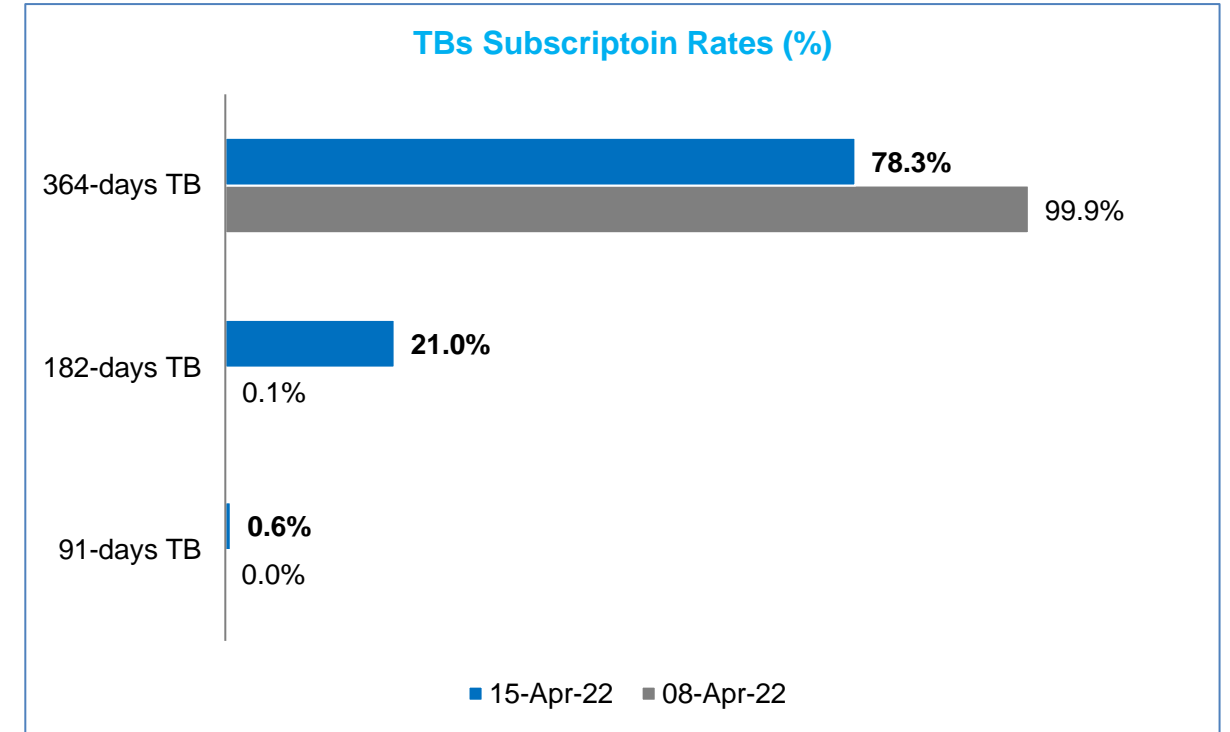
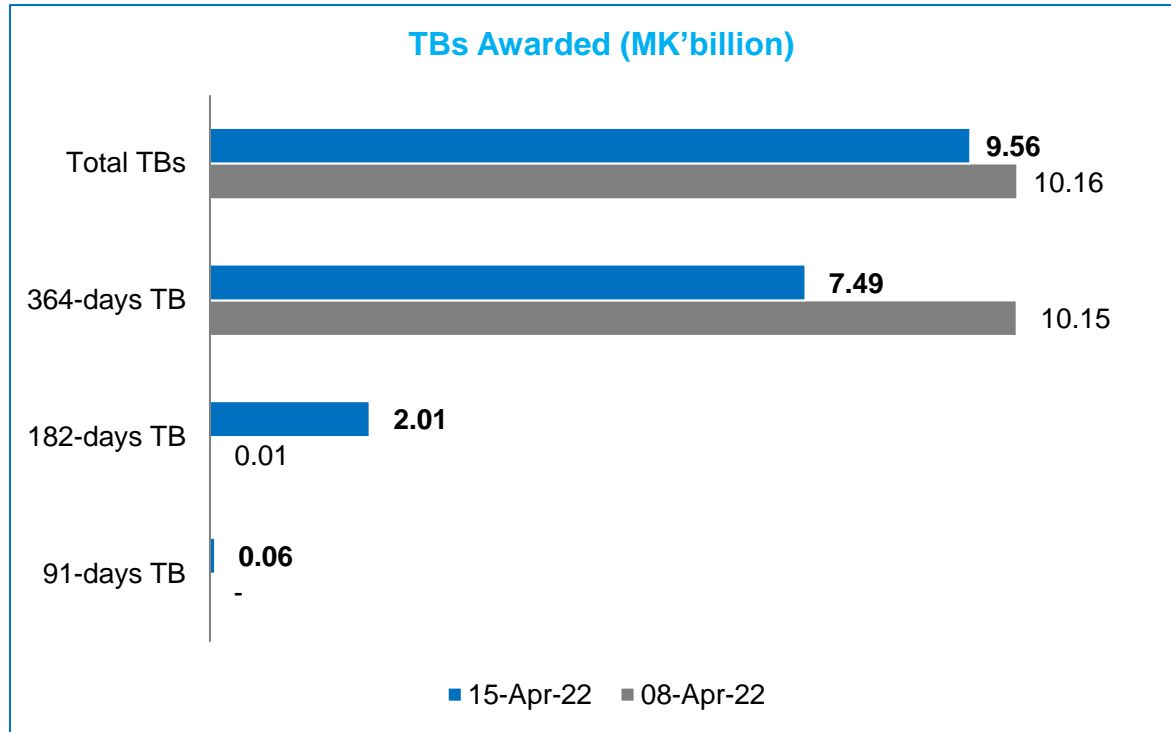


Government securities (Source: RBM)

A total of MK9.56 billion was awarded in this week's auctions of Treasury Bills (TBs) with a nil rejection rate.

The 364-days TB had the highest subscription rate during the period under review at 78.3%.

The average TB yield maintained its position at 12.58% during the period under review.



TB: Treasury Bill
TN: Treasury Note
Yr: Year

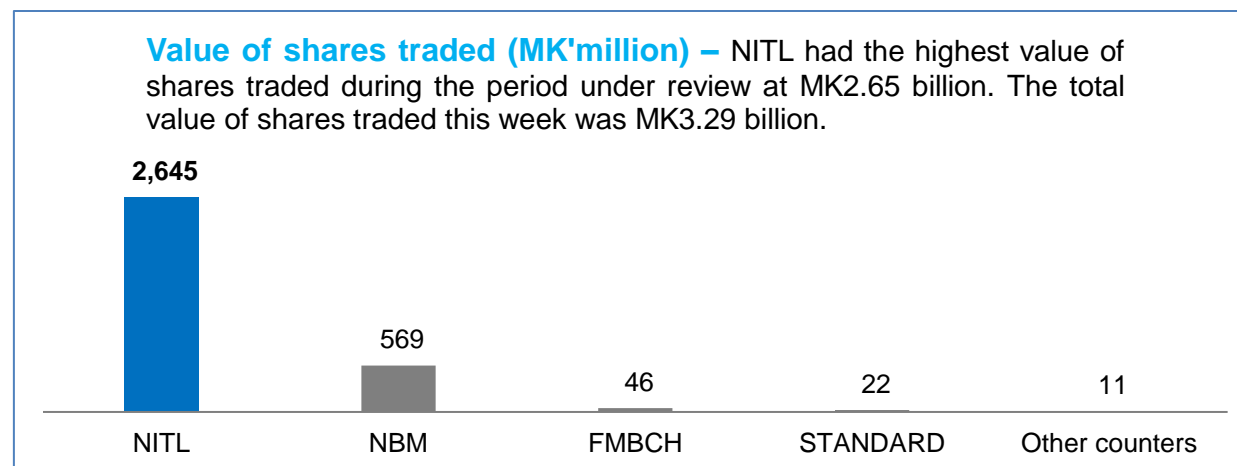
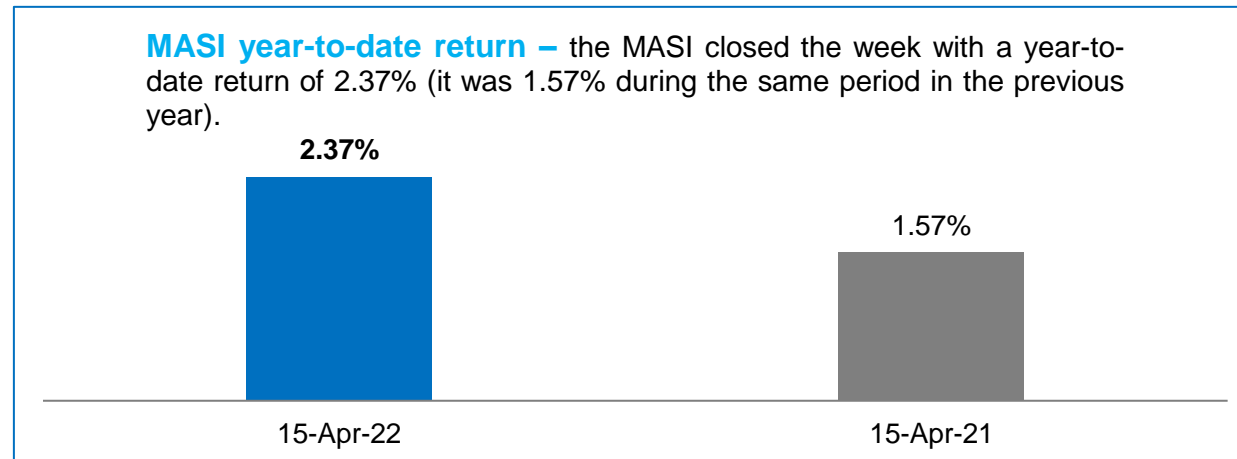
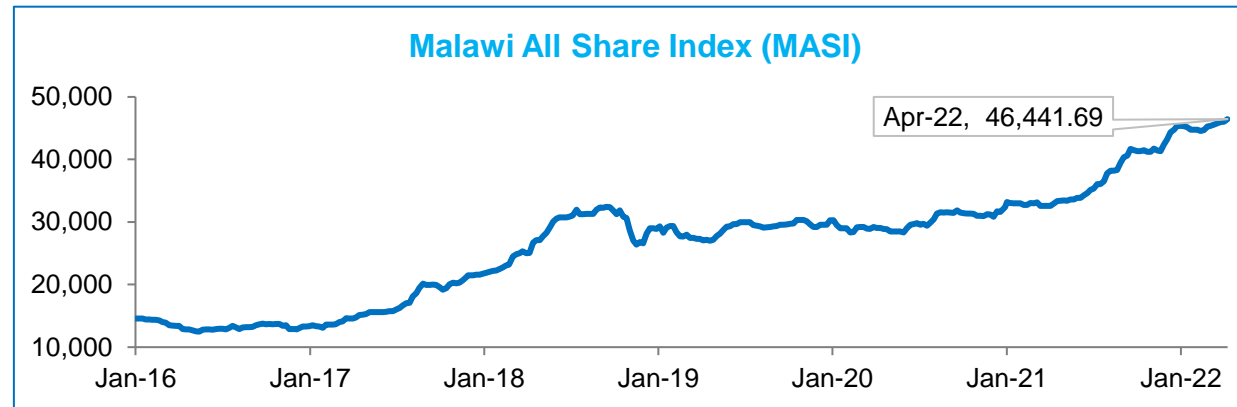


Financial Market Update: Week ending 15 April 2022

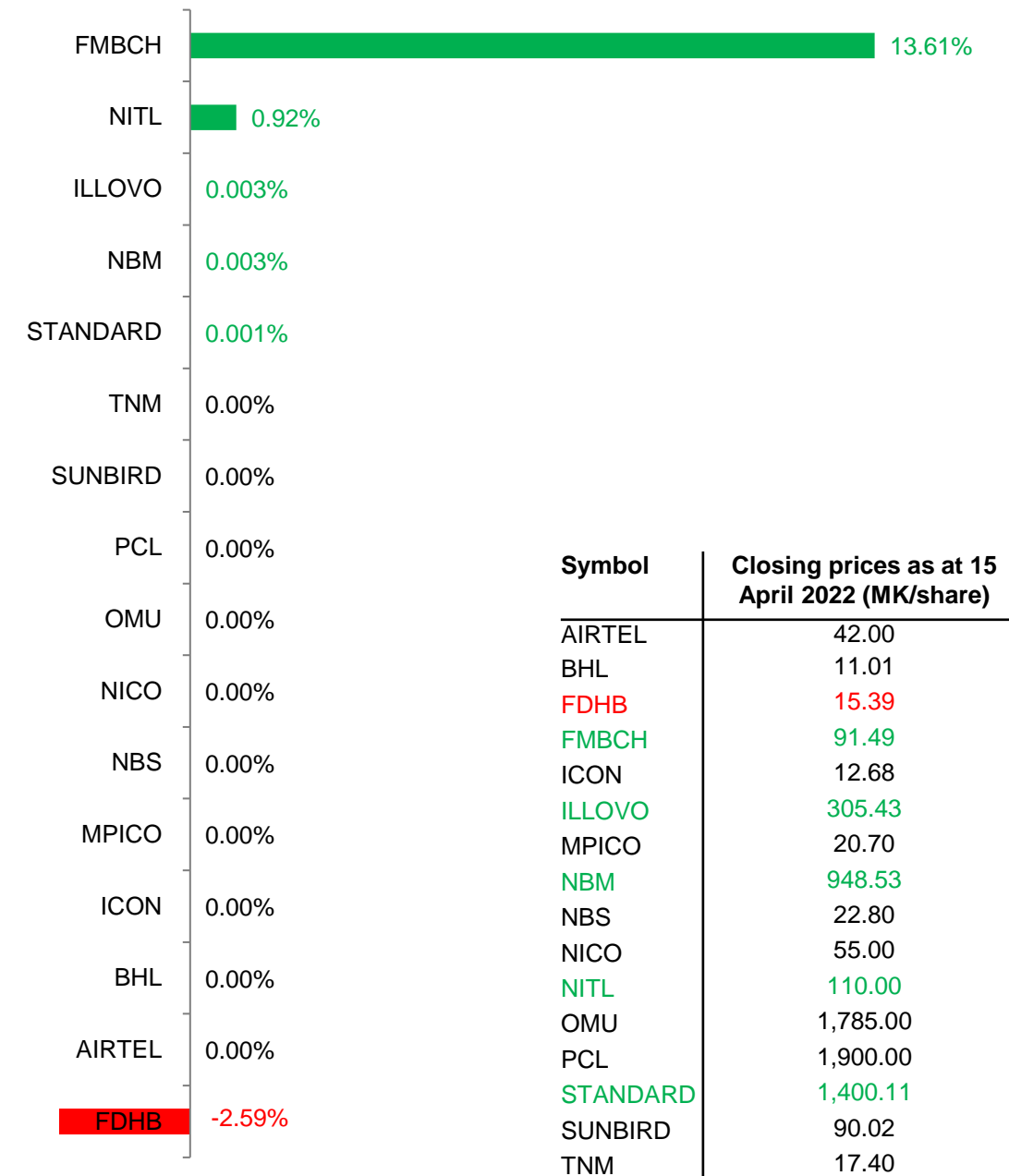
Stock market (Source: MSE)

The stock market was marginally bullish over the period with the Malawi All Share Index (MASI) closing the week ending 15 April 2022 at 46,441.69 points from 46,013.69 points for the week ending 8 April 2022. Week-on-week, this represents an increase of 0.93%.

There were share price gains for FMBCH, NITL, ILLOVO, NBM and Standard Bank during the period under review. The share price gains offset a share price loss for FDH Bank during the period under review.



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





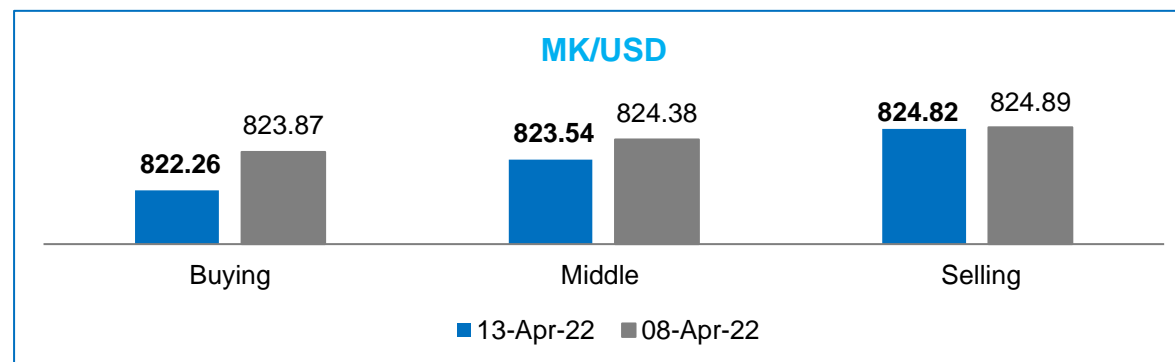
Financial Market Update: Week ending 15 April 2022

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

Due to an adjustment on non-interest income, NBS Bank plc revised its trading statement for the year ending 31 December 2021. NBS Bank plc now expects its PAT for the period to be MK7.61 billion, an increase of 8% from a PAT of MK7.05 billion in the previous year. The bank initially expected the PAT to increase by 20%.

Week-on-week, the Malawi Kwacha marginally appreciated by 0.10% as it traded at MK823.54/USD as at 13 April 2022 from MK824.38/USD as at 8 April 2022. Year-to-date, the Kwacha depreciated by 0.52%.

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% |

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% |
| 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% |
| NBS plc | 7.61 | 7.05 | 8% |

Dividends

| Counter | Dividend type | Proposed/declared | Dividend per share (MK) | Last day to register | Date of payment |
|---------------|---------------|-------------------|-------------------------|----------------------|-----------------|
| OMU | Final | Proposed | 27.10 | 19 April 2022 | 23 May 2022 |
| Standard Bank | Final | Proposed | 8.52 | TBA | TBA |
| NITL | Final | Proposed | 2.25 | TBA | TBA |
| NBM | Final | Proposed | 23.55 | TBA | TBA |

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% |
| Sunbird Tourism plc | 0.75 | (1.18) | 164% |
| NITL plc | 4.67 | 1.48 | 216% |
| National Bank of Malawi plc | 34.21 | 22.45 | 52% |

Other company financials

| Company | 31 December 2021 | 31 December 2020 | Actual Change in total net assets available for benefits |
|---|------------------|------------------|--|
| Press Corporation Limited Group Pension Fund (MK'billion) | 21.11 | 19.02 | 11% |

What Happened This Week?

The National Oil Company of Malawi (NOCMA) has cancelled its arrangement with oil marketing companies which allowed the oil marketing companies to lift fuel from NOCMA reserves on credit. NOCMA indicated that it will be dealing with the companies on upfront payment basis. The companies have been officially written to and include Puma, Total Energies, Petroda and Vivo Energy Malawi (*The Daily Times*, 12-Apr-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.



Appendix: Historical Economic Indicators

| | 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 | Mar-22 | Week ending 15 April 2022 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------------------------|
| Exchange rates (middle rates) | | | | | | | | | | | | | | | | | | |
| MK/USD | 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 | 823.60 | 823.54 |
| MK/GBP | 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 | 1,214.22 | 1,206.08 |
| MK/EUR | 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 | 1,031.32 | 1,000.68 |
| MK/ZAR | 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 | 66.90 | 66.47 |
| Foreign Exchange Reserves | | | | | | | | | | | | | | | | | | |
| Gross Official Reserves (USD'mn) | 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 | 374.48 | - |
| Private Sector Reserves (USD'mn) | 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 | 391.49 | - |
| Total reserves (USD'mn) | 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 | 765.97 | - |
| Gross Official Reserves Import cover (months) | 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 | 1.50 | - |
| Inflation | | | | | | | | | | | | | | | | | | |
| Headline | 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% | 13.0% | - | - |
| Food | 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% | 15.3% | - | - |
| Non-food | 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% | 10.1% | - | - |
| Interest Rates | | | | | | | | | | | | | | | | | | |
| Monetary Policy rate | 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% | 12.00% |
| Average Interbank rate | 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% | 11.70% |
| Average base lending rate | 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% | 12.20% |
| Government Securities' Yields | | | | | | | | | | | | | | | | | | |
| 91-days Treasury Bill | 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% | 9.74% | 9.74% |
| 182-days Treasury Bill | 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% | 13.00% |
| 364-days Treasury Bill | 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% | 15.00% |
| 2-year Treasury Note | 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% | 17.00% | 17.00% |
| 3-year Treasury Note | 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% | 19.50% | 19.50% |
| 5-year Treasury Note | 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% | 21.00% | 21.00% |
| 7-year Treasury Note | 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% | 22.00% | 22.00% |
| 10-year Treasury Note | 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% | 22.98% |
| Stock Market Indices | | | | | | | | | | | | | | | | | | |
| MASI | 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 | 45,921.23 | 46,441.69 |
| DSI | 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 | 37,584.34 | 37,602.09 |
| FSI | 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 | 4,184.71 | 4,753.49 |

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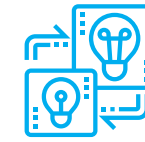
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