



Malawi Financial Market Update

Week ending 22 April 2022

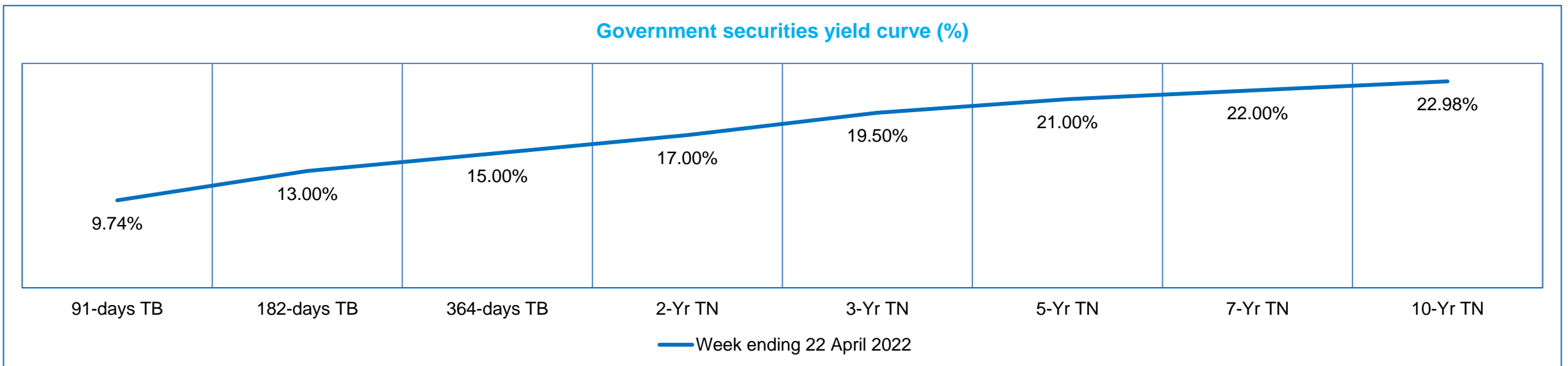
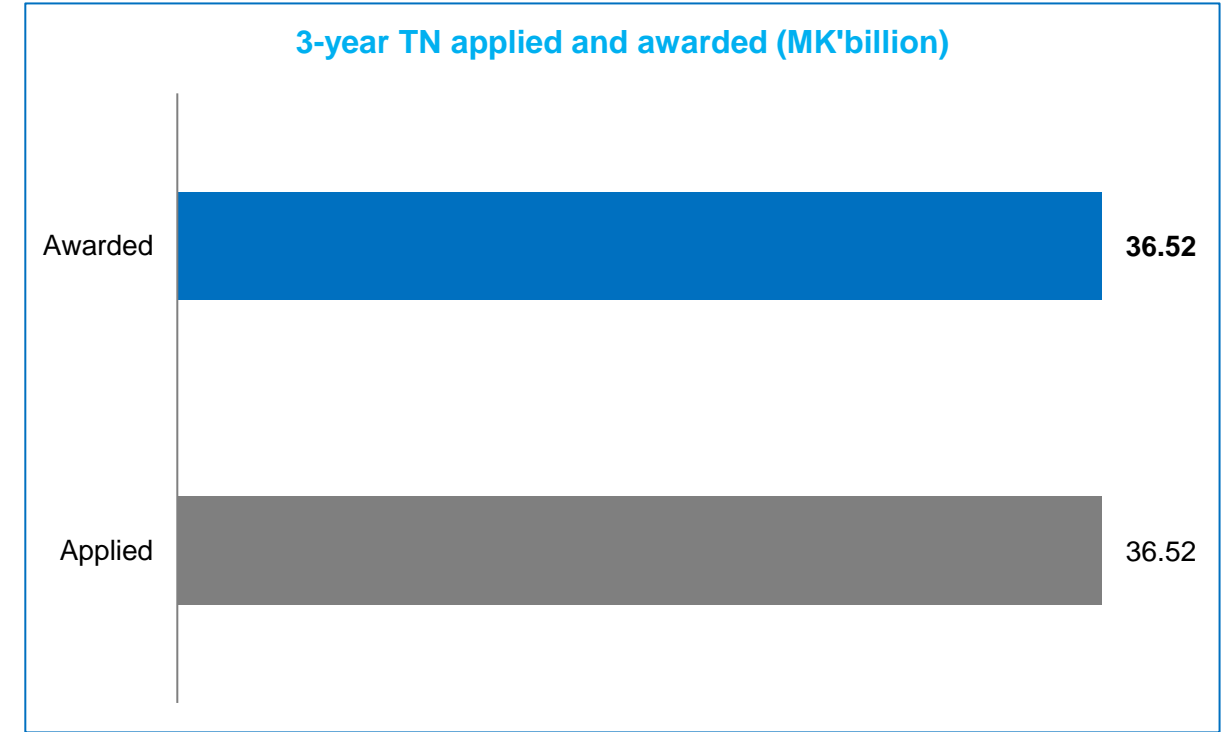
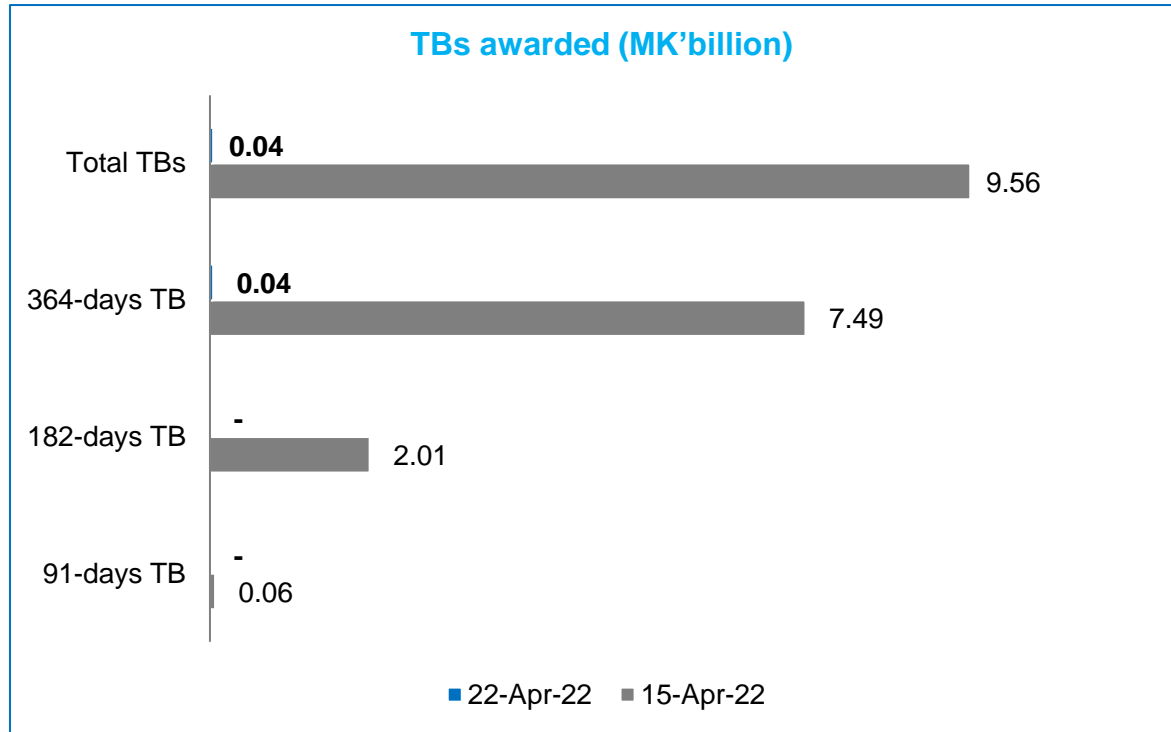


Government securities (Source: RBM)

A total of MK36.56 billion was awarded in this week's auctions of Treasury Bills (TBs) and 3-year Treasury Note (TN). The auctions had nil rejection rates during the period under review.

Only the 364-days TB was auctioned this week, and it had a subscription rate of 100%.

The average TB and average TN yields maintained their positions at 12.58% and 20.50% respectively, during the period under review.



TB: Treasury Bill
TN: Treasury Note
Yr: Year

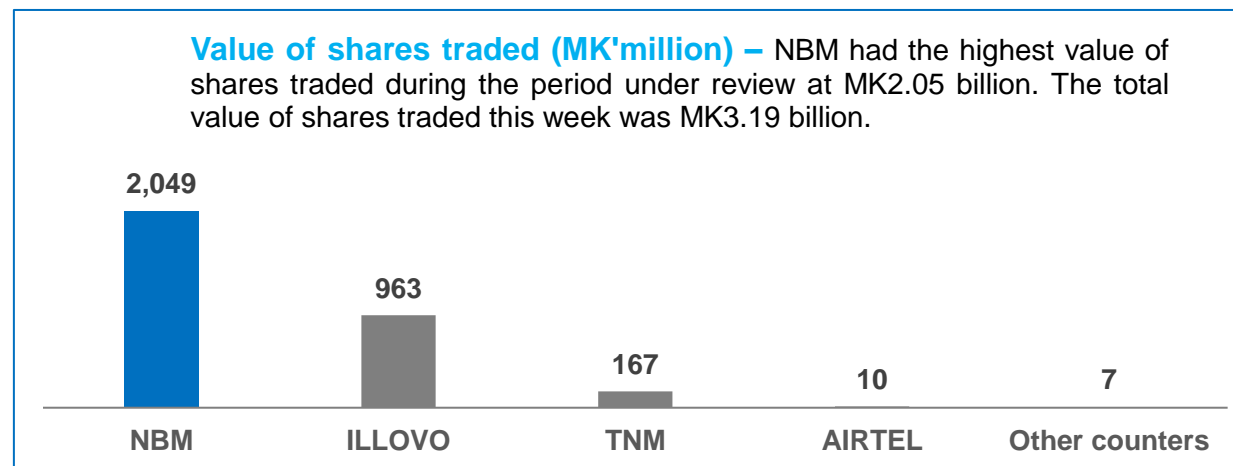
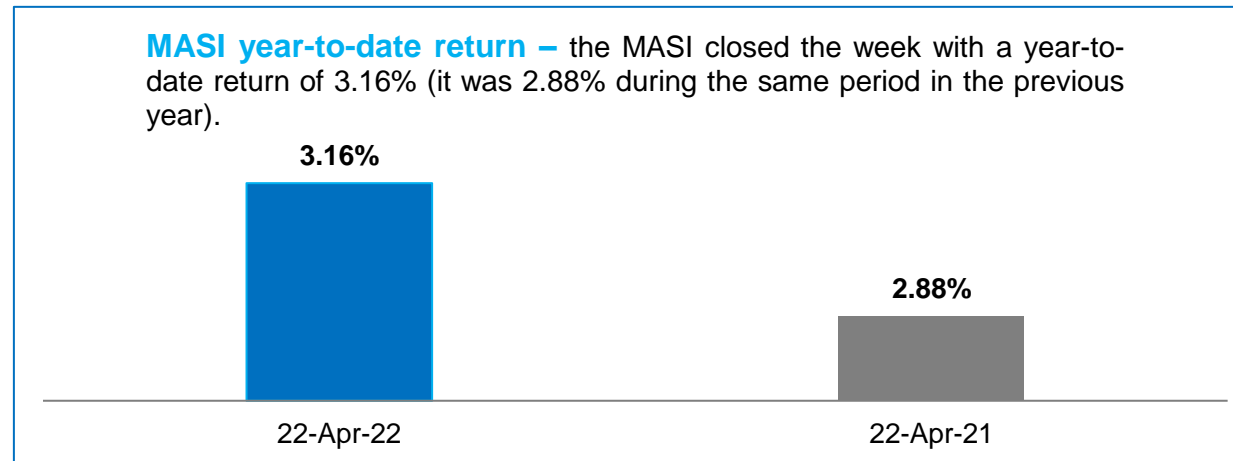
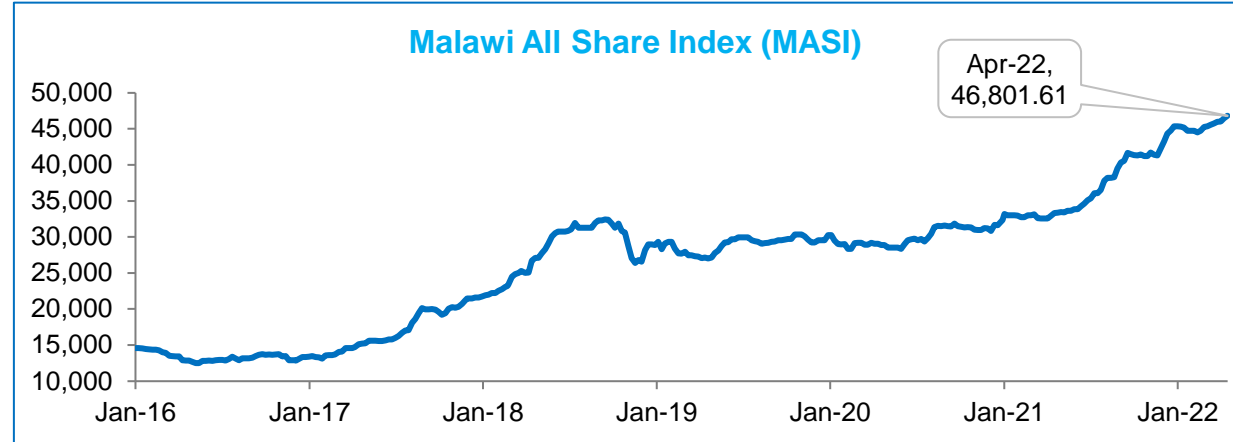


Financial Market Update: Week ending 22 April 2022

Stock market (Source: MSE)

The stock market was marginally bullish over the period with the Malawi All Share Index (MASI) closing the week ending 22 April 2022 at 46,801.61 points from 46,441.69 points for the week ending 15 April 2022. Week-on-week, this represents an increase of 0.77%.

There were share price gains for FMBCH, NITL, and NBM during the period under review. The share price gains offset share price losses for FDH Bank, NBS, TNM and ICON during the period under review.



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

| | |
|----------|--------|
| FMBCH | 9.30% |
| NITL | 0.01% |
| NBM | 0.001% |
| SUNBIRD | 0.00% |
| STANDARD | 0.000% |
| PCL | 0.00% |
| OMU | 0.00% |
| NICO | 0.00% |
| MPICO | 0.00% |
| ILLOVO | 0.00% |
| BHL | 0.00% |
| AIRTEL | 0.00% |
| NBS | -0.04% |
| TNM | -0.06% |
| FDHB | -0.13% |
| ICON | -0.39% |

| Symbol | Closing prices as at 22 April 2022 (MK/share) |
|----------|---|
| AIRTEL | 42.00 |
| BHL | 11.01 |
| FDHB | 15.37 |
| FMBCH | 100.00 |
| ICON | 12.63 |
| ILLOVO | 305.43 |
| MPICO | 20.70 |
| NBM | 948.54 |
| NBS | 22.79 |
| NICO | 55.00 |
| NITL | 110.01 |
| OMU | 1785.00 |
| PCL | 1900.00 |
| STANDARD | 1400.11 |
| SUNBIRD | 90.02 |
| TNM | 17.39 |



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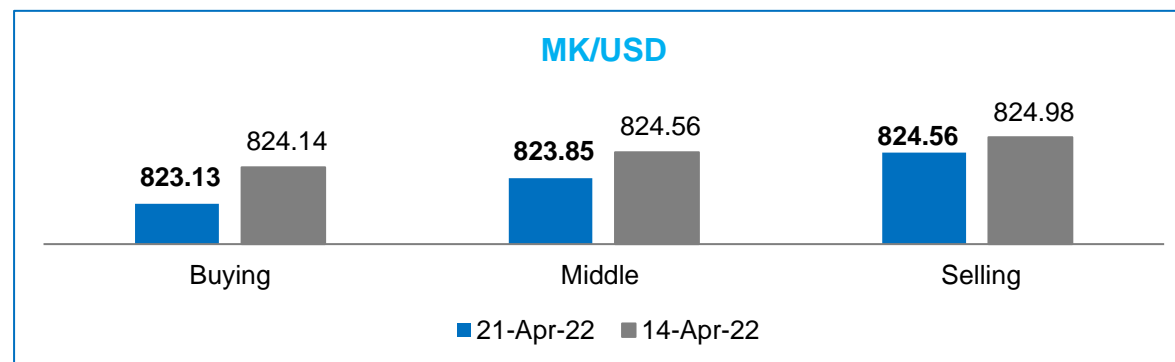
Foreign currency market and other market developments (Source: RBM, MSE)

Headline inflation increased to 14.1% in March 2022 from 13.0% in February 2022. This was on account of increases in both food and non-food inflation during the period.

According to its summary financial statements for the period ended 31 December 2021, First Capital Bank plc closed the period with a PAT of MK14.77 billion, an increase of 84% from a PAT of MK8.03 billion in the previous year.

Week-on-week, the Malawi Kwacha marginally appreciated by 0.09% as it traded at MK823.85/USD as at 21 April 2022 from MK824.56/USD as at 14 April 2022. Year-to-date, the Kwacha has depreciated by 0.55%.

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.

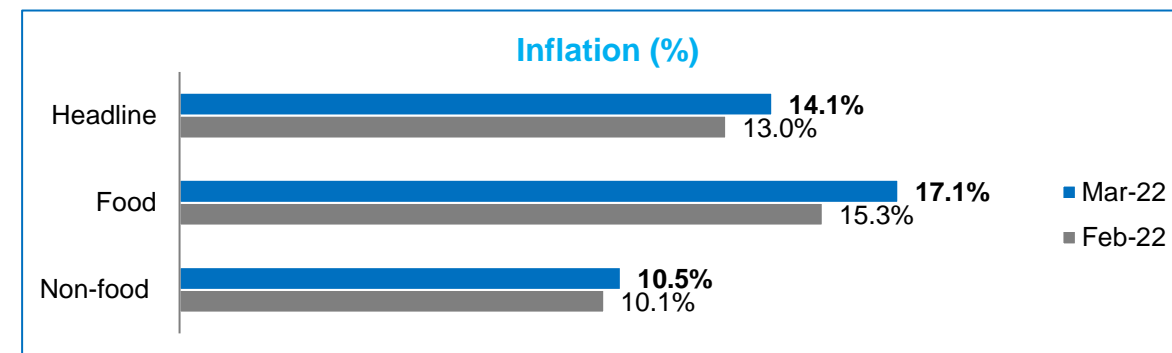
| Counter | Expected PAT 2021 | AFS PAT 2020 | Trading statement profit/(loss) expectation |
|-------------------------|-------------------|--------------|---|
| Press Corporation Plc | 29.8 | 19.9 | 50% |
| FMBCH Plc (USD'million) | 37.28 | 21.3 | 75% |
| Airtel Malawi plc | 29.82 | 22.09 | 35% |
| 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% |

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.

Inflation (Source: NSO)



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 profit/(loss) |
|-------------------------------------|------------------|------------------|--------------------------------|
| First Capital Bank (MKbillion) | 14.77 | 8.03 | 84% |
| Ecobank Malawi Limited (MK'billion) | 8.27 | 7.75 | 7% |



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 22 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 | 823.85 |
| 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 | 1,203.12 |
| 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 | 1,000.13 |
| 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 | 64.43 |
| 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% | 14.10% | - |
| 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% | 17.10% | - |
| 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% | 10.50% | - |
| 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 | 46,801.61 |
| 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 | 37,592.20 |
| 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 | 5,175.11 |

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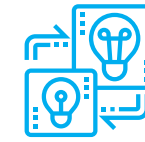
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