



# Malawi Monthly Economic Report and a summary of the African Development Bank Malawi 2023 Country Focus Report

October 2023



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### Inflation

The headline inflation rate decreased to 27.8% in September 2023 from 28.6% in August 2023 due to a decline in food inflation rate to 36.8% from 39.4% recorded in August 2023. The decrease in food inflation offset the increase in non-food inflation to 17.2% in September 2023 from 16.1% in August 2023. According to the Reserve Bank of Malawi (RBM), the decrease in food inflation was due to a moderation in the rise of food prices mainly as a result of ADMARC intervention in the maize market and announcement of planned distribution of relief food items during the lean season.

Based on various forecasts, inflation for 2023 will range between 25.7% and 30.5%, and for 2024 it will range between 19.8% to 22.8%. The International Monetary Fund (IMF) expects inflation to average 27.7% in 2023 and 19.8% in 2024 whilst the Economist Intelligence Unit (EIU) expects inflation to average 30.5% in 2023 and 22.8% in 2024. Oxford Economics expects inflation to average 27.8% in 2023 and 21.5% in 2024. Finally, the World Bank projects inflation to average 25.7% in 2023 and 20.8% in 2024. The factors driving 2024 inflation expectations include lower input costs, fiscal consolidation, tight monetary policy stance and better global and local economic prospects.

### Exchange Rates and Foreign Currency Reserves

Based on closing middle rates, the Malawi Kwacha traded at MK1,179.83/USD as of 31 October 2023, a depreciation of 4.7% from MK1,126.50/USD as of 30 September 2023. Year-to-date, the Kwacha has depreciated against the USD by 14.0% as it traded at MK1,034.67/USD as of 31 December 2022. In October 2022, the Kwacha had depreciated against the USD by 26.0%.

As of 31 August 2023, the country's gross official foreign exchange reserves decreased by 10.6% to USD239.56 million from USD267.91 million in July 2023. The import cover for gross official foreign exchange reserves decreased to 0.96 months in August 2023 from 1.07 months in July 2023.

### Government Securities

The total amount raised from Treasury Bills (TBs) and Treasury Notes (TNs) auctions increased by 56.8% to MK182.0 billion in October 2023 from MK116.1 billion in September 2023. The 91, 182 and 364-days TBs yields maintained at 14.70%, 18.00% and 24.00% respectively. The 2, 3, 5, 7, and 10-year TNs yields maintained at 26.75%, 28.00%, 30.00%, 32.00%, and 33.00% respectively. Consequently, both the average TB and TN yields maintained at 18.90% and 29.95% respectively during the review period.

### Stock Market

The stock market was bearish over the period as the Malawi All Share Index (MASI) decreased to 113,969.91 points in October 2023 from 118,426.19 points in September 2023, representing a 3.76% decrease. The MASI year-to-date return was 83.72% in October 2023. It was 90.90% in the previous month and 21.33% in October 2022.

In October 2023, Old Mutual Limited was the largest share price gainer as its share price increased by 14.29% to MK1,200.00 per share from MK1,050.00 per share in September 2023. There were also share price gains for Standard Bank and NITL. Additionally, there were marginal share price gains for PCL, SUNBIRD, and NBM. In contrast, FMBCH was the largest share price loser as its share price decreased by 27.72% to MK300.00 per share from MK415.03 per share. There were also share price losses for FDH Bank, NICO, and NBS as well as marginal share price losses for AIRTEL, TNM, ICON, and ILLOVO.

### Fiscal and Monetary Policy

Data from the RBM shows that in the first five months of the 2023/24 fiscal budget implementation, the government collected revenues amounting to MK1.04 trillion and spent MK1.36 trillion (MK0.32 trillion deficit).

Following the fourth Monetary Policy Committee (MPC) meeting held on 26 and 27 October 2023, the MPC resolved to maintain the Policy rate at 24.0% and the Lombard rate at 20 basis points above the Policy rate. The Liquidity Reserve Requirement (LRR) ratio on domestic currency deposits and the LRR ratio on foreign currency deposits have also been maintained at 7.75% and 3.75% respectively. The MPC arrived at this decision after considering the recent moderation in inflationary pressures.

### Commodity Market

According to the International Food Policy Research Institute (IFPRI) the retail maize price increased to MK695/kg in September 2023 from MK689/kg in August 2023.

The monthly average OPEC Reference Basket (ORB) price decreased by 2.9% to a monthly average of USD91.86/barrel in October 2023, from USD94.60/barrel in September 2023.

### Economic Growth

The gross domestic product (GDP) growth rate projections for Malawi for 2023 from various published sources range between 0.7% and 2.0%. For 2024, GDP forecasts range between 2.0% and 3.8%.

The MPC observed that economic recovery has been disrupted by Cyclone Freddy resulting in a growth estimate of 1.9% in 2023, down from an earlier projection of 2.7%. The anticipated resumption of the IMF Extended Credit Facility (ECF) program is expected to unlock foreign exchange inflows which will ultimately revamp economic activity. Therefore, the MPC projects growth for 2024 at 3.8%.

According to Oxford Economics, economic growth is projected at 1.9% for 2023. Real GDP growth is expected to rebound to 3.8% in 2024 due to stronger private consumption and exports.

According to the EIU, real GDP growth in 2023 will be undermined by weather shocks, funding gaps and monetary tightening, depressing real GDP growth to 0.7%. A rebound to 2.0% is expected in 2024 due to the anticipated resumption of the ECF program.

The World Bank GDP growth projection for 2023 is 1.4% and is expected to increase to 2.4% in 2024. Over the medium term, economic growth is forecast to increase moderately, supported by gradual macroeconomic stabilization and a recovery across all sectors.

The African Development Bank (AfDB) expects Malawi's real GDP growth to be 2.0% in 2023 and 3.5% in 2024 whilst the IMF projects real GDP growth of 1.7% in 2023 and 3.3% in 2024. The IMF cited factors such as efficient implementation of policies and improved output due to a recovery from Cyclone Freddy as the reasons for the rebound in 2024.

### AfDB Malawi 2023 Country Focus Report Overview

The September 2023 Malawi Country Focus report reviews the role and potential of the private sector in financing climate change and green growth. It also explores the scope for harnessing natural capital to finance adaptation and mitigation to climate change and to promote green growth. It builds on the analyses carried out in the African Development Bank's (AfDB) main African Economic Outlook report.

The AfDB has argued that climate change poses a significant hurdle to Malawi's ambitious development objectives. The country is grappling with substantial developmental issues, which are further exacerbated by the changing climate.

As per the AfDB's assessment, Malawi has thus far only mobilized limited resources from the private sector for climate finance. Between 2019 and 2020, Malawi mobilized USD512 million per year in climate finance, or approximately 23% of its needs as assessed by the AfDB. The gap, estimated at an average of USD1.69 billion per year, could partly be bridged through greater private sector mobilization. Assuming public contributions remain stable over the next few years, the current private sector contribution must be increased by at least 28 times to cover the country's entire needs.

According to the AfDB, Malawi had an increase in the value of renewable resources over the 1995-2018 period of 146%. In per capita terms, Malawi experienced a decline in renewable assets of 4%, while its non-renewable assets increased by 231% over the 1995-2018 period. As a result of this, the AfDB has urged Malawi to take advantage of international agreements related to climate change to benefit from its natural capital.

### Opportunities in Malawi

**Mining:** Malawi's mining sector has potential with Sovereign Metals Limited, the developer of Kasiya Rutile Mine in Lilongwe, projecting the mine to generate about USD16 billion (approximately MK18 trillion) in revenue. The pre-feasibility results show that the mine has potential to become a large rutile producer at 222 kilotonne per annum (kt/a) for an initial 25 years.

**Energy:** According to the World Bank, approximately 19% of the Malawian population has access to regular electricity. Opportunities exist in solar power, with solar radiation in Malawi being amongst the highest in the world. In addition, clean and efficient cookstoves using biomass energy is viable. Potential for renewable energy also exists in the form of hydropower.

**Agriculture:** The agriculture sector employs a significant proportion of the country's workforce and represents about 80% of the country's exports. According to the World Bank, the sector contributed 21.8% to the country's GDP in 2022. A few examples of opportunities in the agricultural sector include; large scale commercial fishing, cannabis production and processing, large scale production of sugarcane in the areas under the Green Belt Initiative (GBI) and processing factories for value addition to make puree, spices, paste and juices.

**Tourism:** In recent years, Malawi has become a popular destination for meetings, conferences and events both locally and internationally. The sector offers various opportunities in investment such as; hotels and conference facilities in major towns and cities, cable car and associated facilities on Mount Mulanje, entertainment centers and casinos.

### Risks

The Malawian economy has continued to face several significant risks that include but are not limited to public debt status, weather-related shocks, inflation, reliance on aid and currency depreciation. These risk factors may limit the country's potential for growth and worsen poverty.

The Ministry of Finance and Economic Affairs noted that risks concerning the Malawian public debt status include refinancing risk, interest rate risk and exchange rate risk. Regarding foreign exchange risk, 41% of the debt stock was denominated in foreign currency at the end of March 2023. This proportion implies that a sizeable amount of Malawi's debt is susceptible to exchange rate movements. Exchange rate shocks, such as the 26% alignment of Kwacha in May 2022, can substantially contribute to higher debt service payments in local currency terms, thereby leading to higher payments in the budget than projected. In addition, Malawi's public debt to GDP continues an upward trajectory since reaching the Heavily Indebted Poor Country (HIPC) and Multilateral Debt Relief Initiatives completion point in 2006.

According to the IMF, further delays in debt negotiations can reduce access to trade credit, forex swaps, and other short-term loans. This may in turn worsen foreign exchange shortages and result in difficulties in importing key commodities (fuel, medicine and food) and servicing debt, which would in turn exacerbate dire macroeconomic conditions, poverty, and food insecurity.

Next, the agriculture sector plays a vital role in employment and export earnings but remains vulnerable to weather-related shocks. For instance, the recent impact of tropical Cyclone Freddy underscores this susceptibility. Additionally, Malawi is among the 53 countries expected to face challenges due to El Niño-induced dry spells in the upcoming crop-growing season. The scenario of below-average rainfall during the growing season could result in crop failures and insufficient grazing, impacting agricultural output. Furthermore, the recurrent occurrence of natural disasters, causing infrastructure damage, may disrupt supply chains, contribute to inflationary pressures, and lead to water and food shortages.

Furthermore, Malawi faces inflation risk, which has the potential to diminish the purchasing power of individuals, increase the cost of living and create instability within the economy. Rising food prices on account of food insecurity contributes to this risk. The average inflation rate for the first nine months of 2023 is 27.7%.

Lastly, a potential concern involves the depreciation of the domestic currency, particularly if the risk of decreased exports and the resultant decline in export earnings materializes. This situation could expose the domestic currency to depreciation risk, exacerbating the cost of importing goods and services. Simultaneously, it could erode the value derived from the export of domestically crafted products and services, thereby contributing to a widening gap between imports and exports, potentially leading to current account deficits. This interplay may consequently exert pressure on inflation levels, subsequently influencing the country's fiscal deficit.



## Economic overview

### Inflation (Source: NSO, RBM)

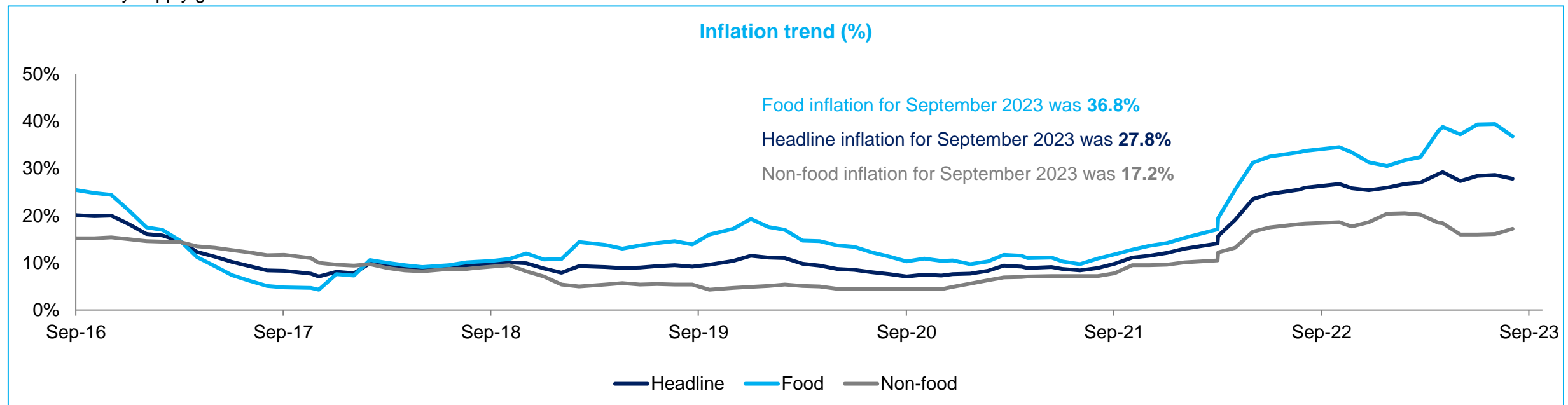
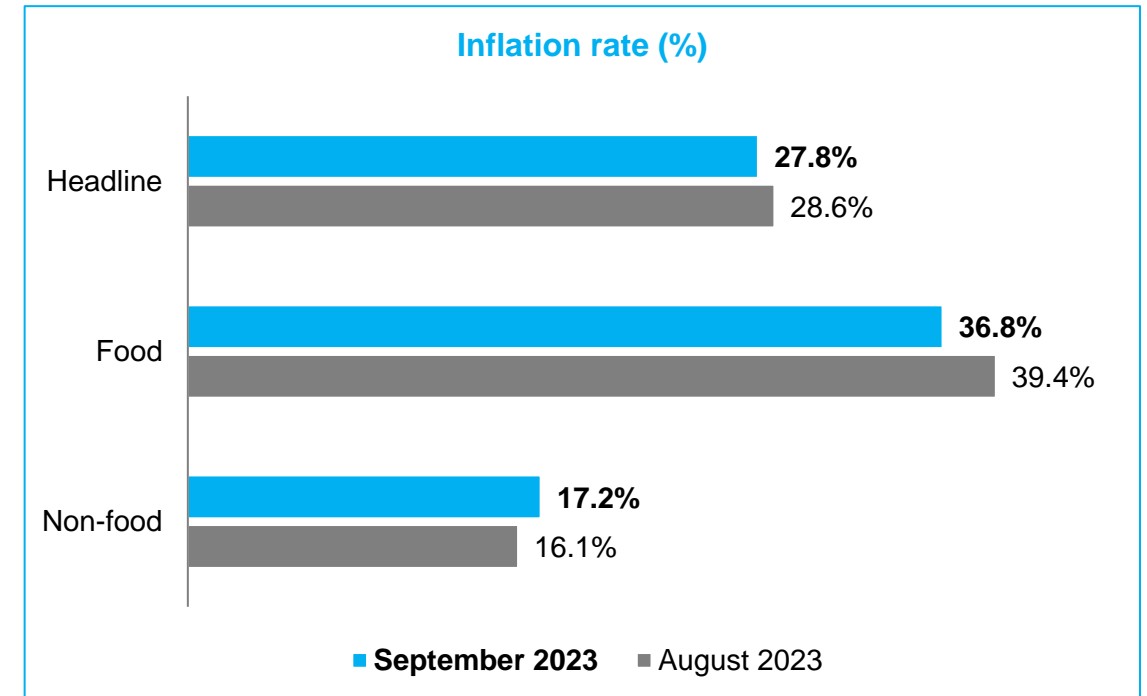
The headline inflation rate for September 2023 decreased by 0.8 percentage points to 27.8% from 28.6% in August 2023. The decrease was due to a decline in food inflation to 36.8% from 39.4%.

Based on various forecasts, inflation for 2023 will range between 25.7% and 30.5%, and for 2024 it will range between 19.8% to 22.8%.

The headline inflation rate decreased by 0.8 percentage points to 27.8% in September 2023 from 28.6% in August 2023. The decrease in headline inflation was due to a decline in food inflation rate to 36.8% in September 2023 from 39.4% in August 2023 which offset the increase of non-food inflation rate to 17.2% in September 2023 from 16.1% in August 2023. During this same period in 2022, headline inflation was 25.9%, driven by food inflation of 33.7% and non-food inflation of 18.3%.

According to the RBM, the decrease in food inflation was due to a moderation in the rise of food prices mainly as a result of ADMARC intervention in the maize market and announcement of planned distribution of relief food items during the lean season. The International Food Policy Research Institute (IFPRI) disclosed that maize retail prices increased by 1% to average MK695 per kilogram (Kg) in September 2023, from MK689/Kg in August 2023.

Further to this, the RBM notes that pressures on non-food inflation increased because of the weakening of the Kwacha. The Economist Intelligence Unit (EIU) expects inflation to average 30.5% in 2023 owing to high domestic fuel and food prices. Oxford Economics expects inflation to average 27.8% in 2023 due to rising food inflation and exchange rate developments. Following the effects of Tropical Cyclone Freddy, the IMF expects inflation to average 27.7% in 2023. Finally, the World Bank expects inflation to average 25.7% in 2023 and is attributed to rising food prices, pressure from anticipated lower agricultural yield as well as money supply growth.





## Economic overview (continued)

Foreign currency market and Foreign reserve position (Source: RBM, Standard Bank)

The gross official foreign exchange reserves decreased by 10.6% to USD239.56 million as of 31 August 2023, from USD267.91 million as of 31 July 2023. The gross official import cover decreased to 0.96 months from 1.07 months during the period under review.

### Foreign Currency Market

Based on closing middle rates, the Malawi Kwacha traded at MK1,179.83/USD as of 31 October 2023, a depreciation of 4.7% from MK1,126.50/USD as of 30 September 2023. Year-to-date, the Kwacha has depreciated against the USD by 14.0% as it traded at MK1,034.67/USD as of 31 December 2022. During the same period in 2022, the Kwacha had depreciated against the USD by 26.0%.

According to the 17 October 2023 Standard Bank weekly brief, the RBM made some changes to foreign currency denominated accounts (FCDAs) on 12 October 2023. The changes include allowing balances to be converted into Malawi Kwacha through Authorized Dealer Banks (ADB) and subjecting all deposits to an RBM conversion ratio, except for cash deposits related to exports. Additionally, hard currency encashment is now limited to travel allowances only, and clients can no longer instruct ADBs to sell or allocate foreign currency to specific parties, as these actions were deemed to exacerbate the country's foreign exchange challenges, according to the RBM.

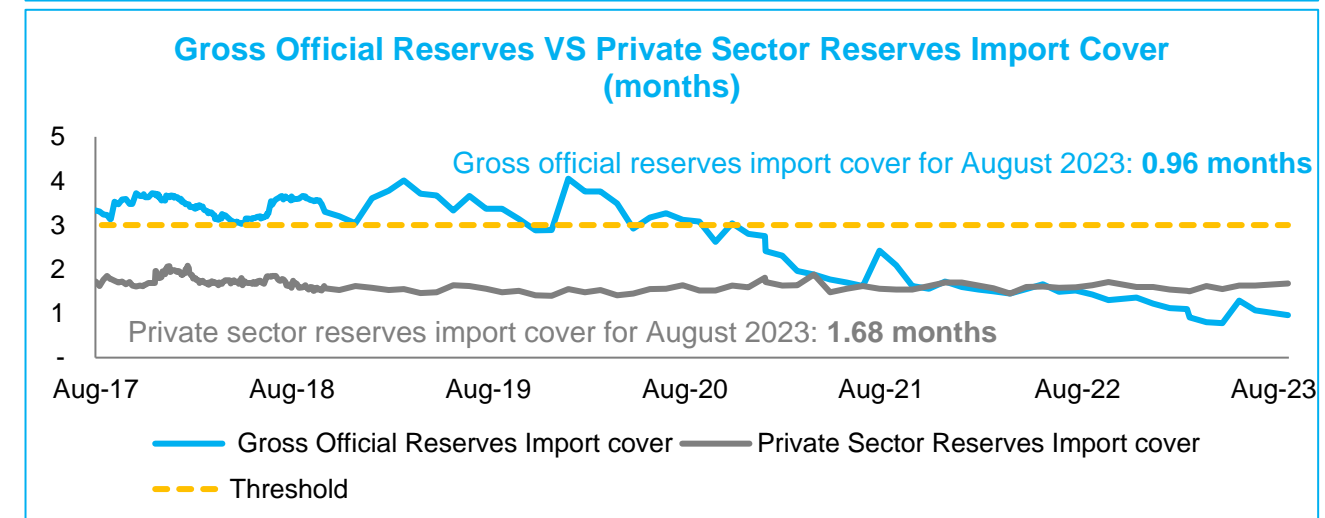
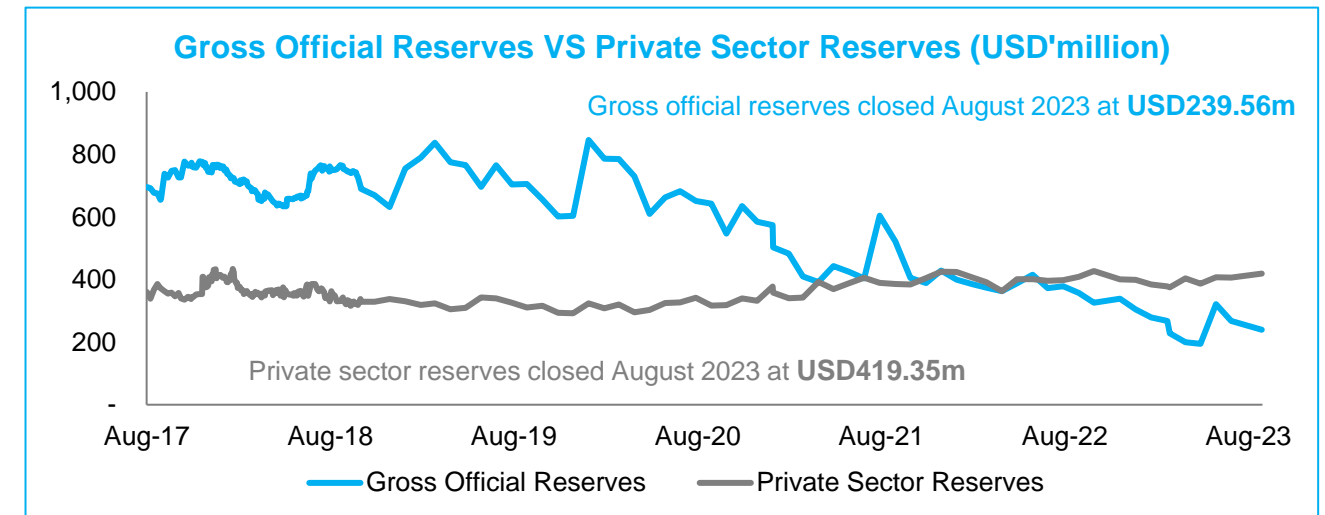
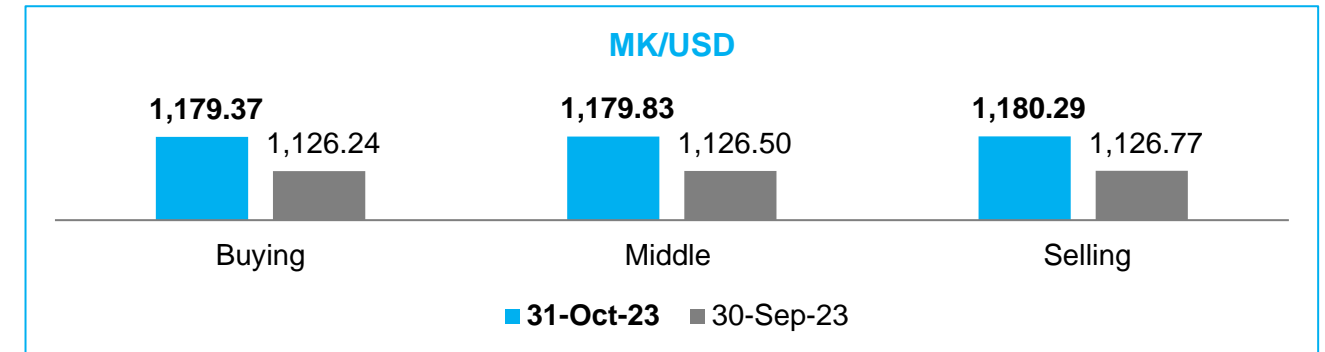
### Foreign Exchange Reserves Position

As of 31 August 2023, the country's gross official foreign exchange reserves decreased by 10.6% to USD239.56 million from USD267.91 million in July 2023. The import cover for gross official foreign exchange reserves decreased by 10.3% to 0.96 months in August 2023 from 1.07 months in July 2023. The import cover for gross official foreign exchange reserves remained below the required threshold of 3 months.

	August 2023	July 2023	Month-on-month change (%)
Gross Official (USD'million)	239.56	267.91	-10.6%
Private Sector (USD'million)	419.35	406.63	3.1%
<b>Total Reserves (USD'million)</b>	<b>658.91</b>	<b>674.54</b>	<b>-2.3%</b>
Gross Official import cover (months)	0.96	1.07	-10.3%
Private sector import cover (months)	1.68	1.63	3.1%
<b>Total import cover (months)</b>	<b>2.64</b>	<b>2.70</b>	<b>-2.2%</b>

USD – United States Dollar

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





## Economic overview (continued)

### Stock Market (Source: MSE)

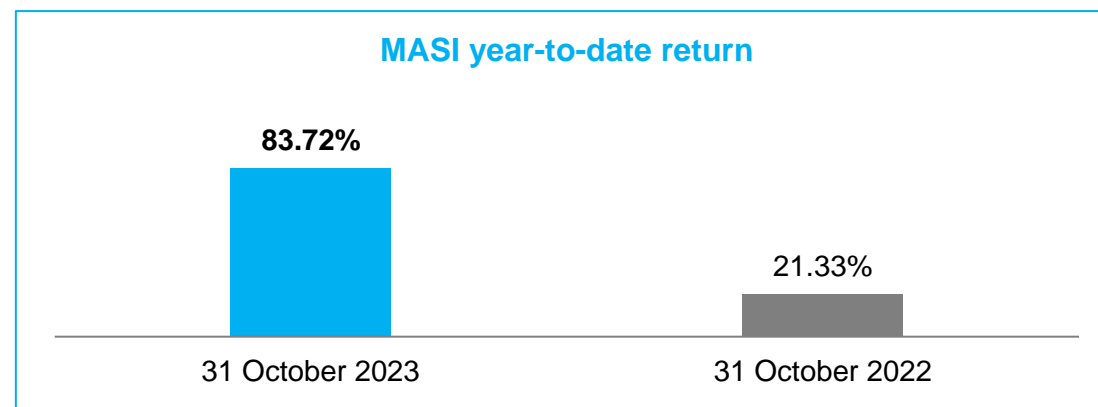
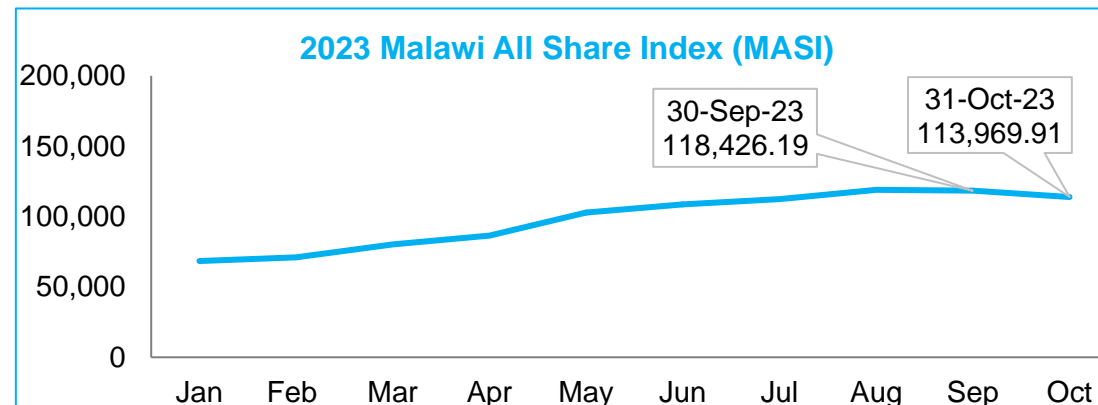
The MASI year-to-date return was 83.72% in October 2023. It was 90.90% in the previous month and 21.33% in October 2022.

The decrease in the MASI was largely driven by share price losses for FMBCH, FDH Bank, NICO, and NBS. The share price losses offset share price gains for Old Mutual Limited, Standard Bank, and NITL.

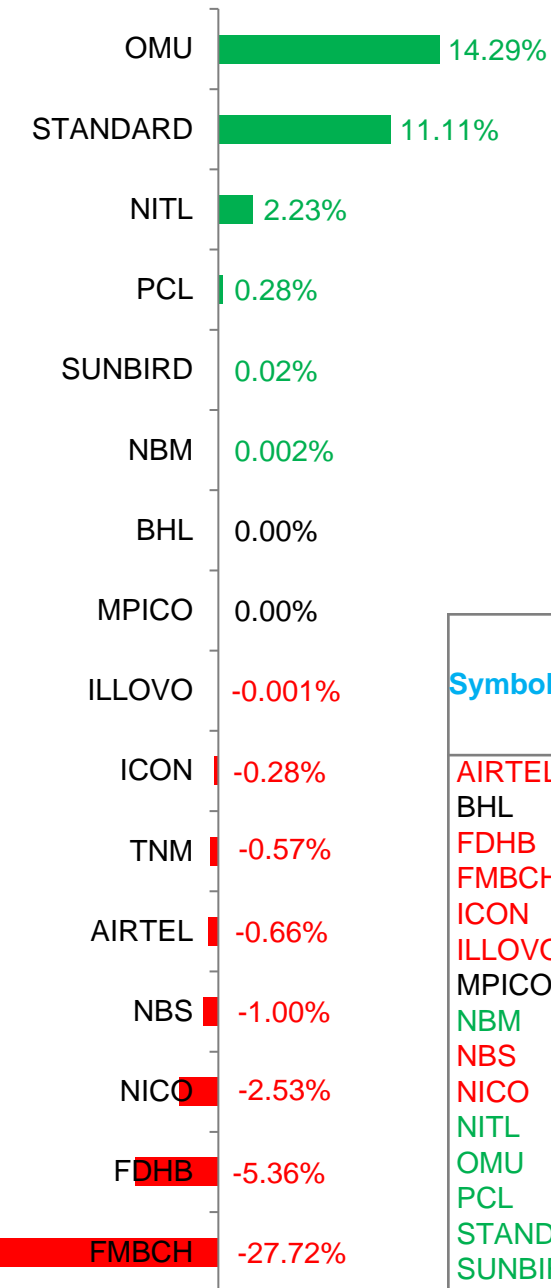
The stock market was bearish over the period as the Malawi All Share Index (MASI) decreased to 113,969.91 points in October 2023 from 118,426.19 points in September 2023, representing a 3.76% decrease. The MASI year-to-date return was 83.72% in October 2023. It was 90.90% in the previous month and 21.33% in October 2022.

In October 2023, Old Mutual Limited was the largest share price gainer as its share price increased by 14.29% to MK1,200.00 per share from MK1,050.00 per share in September 2023. There were also share price gains for Standard Bank and NITL. Additionally, there were marginal share price gains for PCL, SUNBIRD, and NBM.

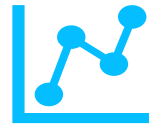
In October 2023, FMBCH was the largest share price loser as its share price decreased by 27.72% to MK300.00 per share from MK415.03 per share in September 2023. There were also share price losses for FDH Bank, NICO, and NBS. There were also marginal share price losses for AIRTEL, TNM, ICON and ILLOVO.



### Month-on-Month share price percentage change (%)



Symbol	Closing prices (MK/share)	
	31 October 2023	30 September 2023
AIRTEL	99.79	100.45
BHL	10.06	10.06
FDHB	68.34	72.21
FMBCH	300.00	415.03
ICON	17.95	18.00
ILLOVO	1,121.43	1,121.44
MPICO	15.00	15.00
NBM	2,101.17	2,101.12
NBS	107.90	108.99
NICO	155.95	160.00
NITL	410.00	401.05
OMU	1,200.00	1,050.00
PCL	2,507.00	2,500.00
STANDARD	3,000.04	2,700.01
SUNBIRD	191.06	191.03
TNM	29.71	29.88



## Economic overview (continued)

### Stock Market (Source: MSE)

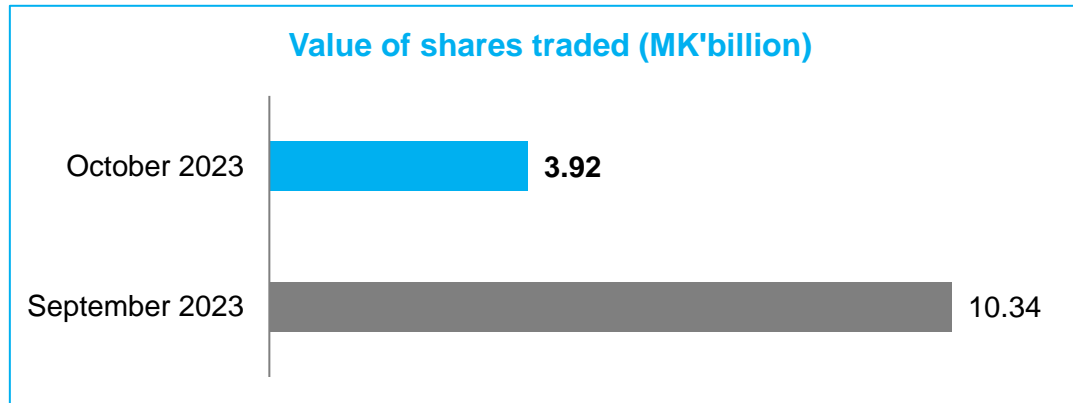
PCL had the highest value of shares traded in October 2023 at MK1.72 billion.

The nominal value of all listed debt securities decreased to MK3.94 trillion in October 2023 from MK4.00 trillion in September 2023.

### MSE Traded Values

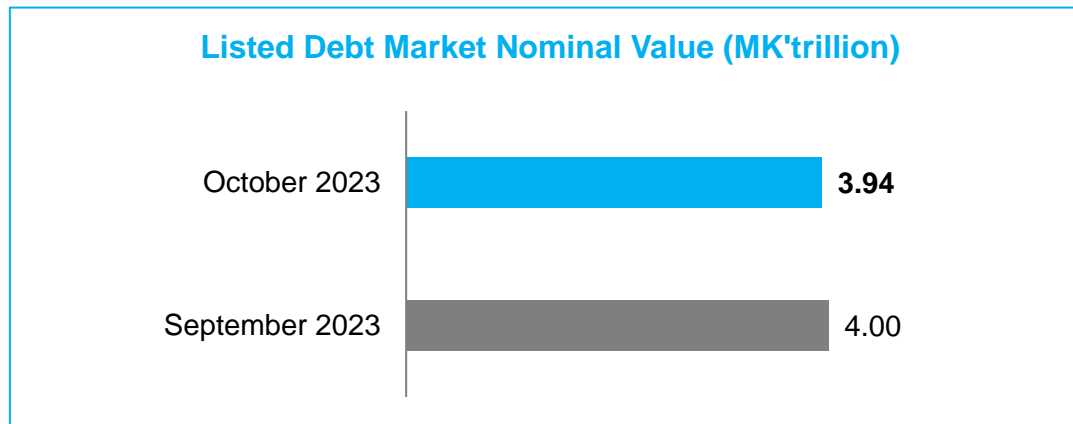
A total of MK3.92 billion worth of shares was traded on the Malawi Stock Exchange (MSE) in October 2023. This represented a 62.1% decrease from MK10.34 billion worth of shares traded in September 2023. PCL had the highest value of shares traded in October 2023 at MK1.72 billion.

The total number of trades decreased to 894 in October 2023, from 1,113 in September 2023.



### Listed Debt Market

The total number of instruments listed on the debt market decreased to 84 in October 2023 from 86 in September 2023. There were no trades on the debt market in October 2023. The nominal value of all listed debt securities decreased to MK3.94 trillion in October 2023 from MK4.00 trillion in September 2023.



## Corporate Announcements

### Published half year financial results

Amounts in billions of Malawi Kwacha unless specified otherwise.

Counter	Profit after tax (MK'billions)		
	Half year 2023	Half year 2022	Change (%)
BHL	(0.5)	(0.5)	2%
TNM	0.8	(1.3)	-158%
SUNBIRD	1.6	0.4	296%
OMU*	4.9	5.2	-7%
MPICO	5.1	3.2	61%
ICON	6.4	4.5	42%
NBS	12.2	5.1	139%
FDHB	15.0	8.7	72%
NITL	16.5	1.5	1027%
AIRTEL	19.0	8.9	113%
STANDARD	26.9	15.8	70%
NICO	30.8	11.8	160%
ILLOVO**	33.7	9.2	266%
PCL	34.3	16.0	115%
NBM	35.5	22.1	60%
FMBCH***	42.0	25.2	67%

\* : OMU profit after tax is in ZAR billions

\*\* : Financial half-year end for Illovo is 28 February

\*\*\* : FMBCH profit after tax is in USD millions

### Dividends

Counter	Dividend type	Proposed/Declared	Dividend per share (MK)	Last day to register	Payment date
FMBCH	Interim	Declared	US\$0.21 cents	10-Nov-23	15-Nov-23
SUNBIRD	Interim	Declared	2.00	TBA	TBA





## Economic overview (continued)

### Government securities (Source: RBM)

The government awarded a total of MK182 billion through Treasury Bills (TBs) and Treasury Notes (TNs) auctions in October 2023, a 56.8% increase from MK116.1 billion awarded in September 2023.

From September 2023 to October 2023 the average TB and TN yields maintained at 18.90% and 29.95% respectively.

#### Treasury Bills (TBs)

In October 2023, the government sought to borrow MK34.5 billion through Treasury Bills (TBs) auctions. This represents a 119.1% increase from MK15.8 billion sought in September 2023. Participants applied to place an amount of MK25.8 billion through TBs auctions in October 2023. This represents a 26.2% decrease from MK34.9 billion that was applied for in September 2023. The government awarded a total of MK25.7 billion in October 2023, a 9.1% decrease from MK28.3 billion that was awarded in September 2023. The TBs auction had a 0.27% rejection rate in October 2023 compared to a 19.04% rejection rate in September 2023.

#### Treasury Notes (TNs)

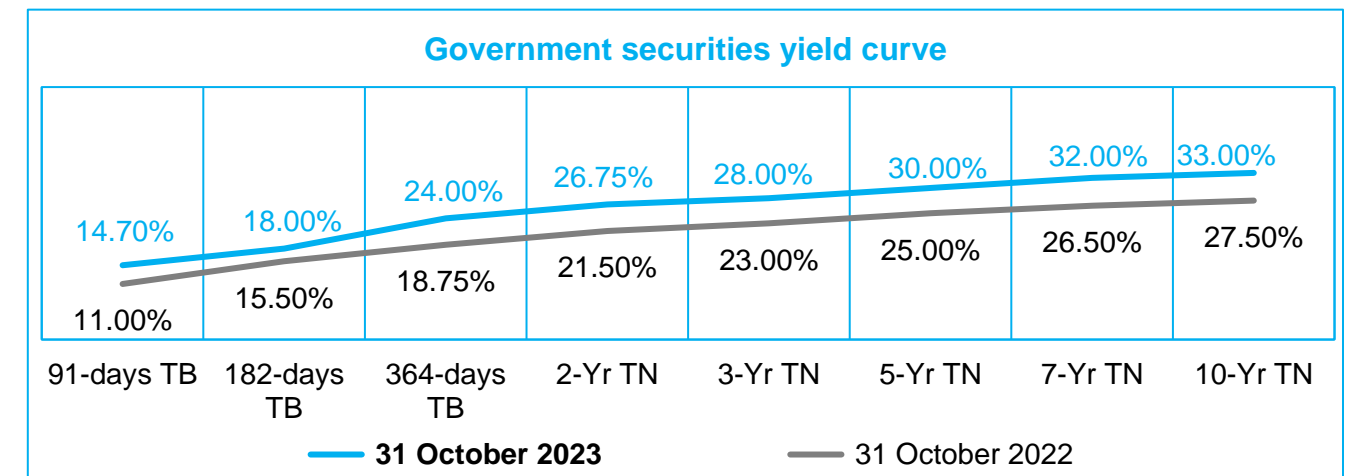
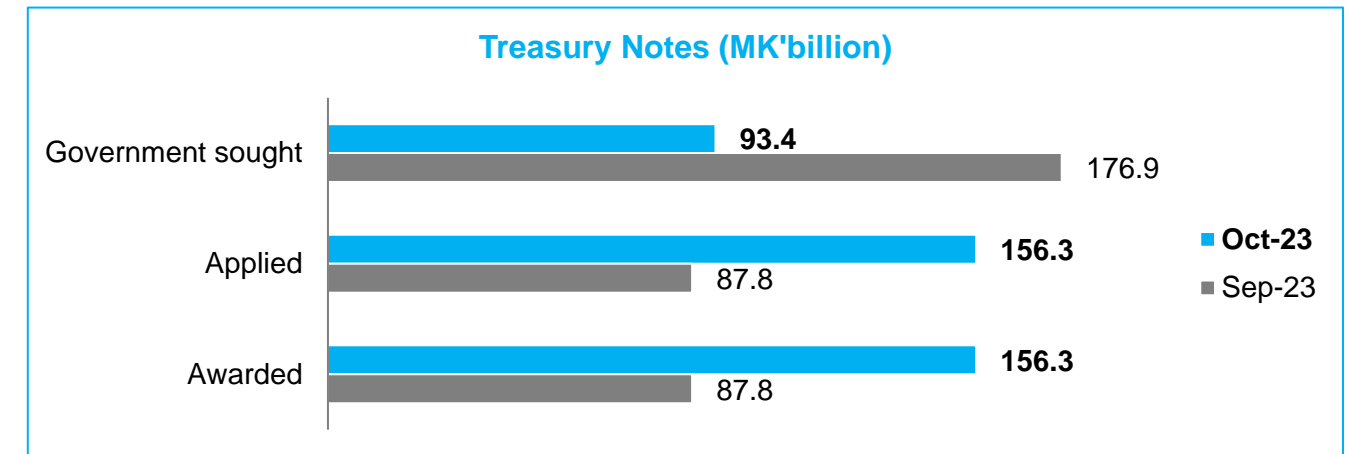
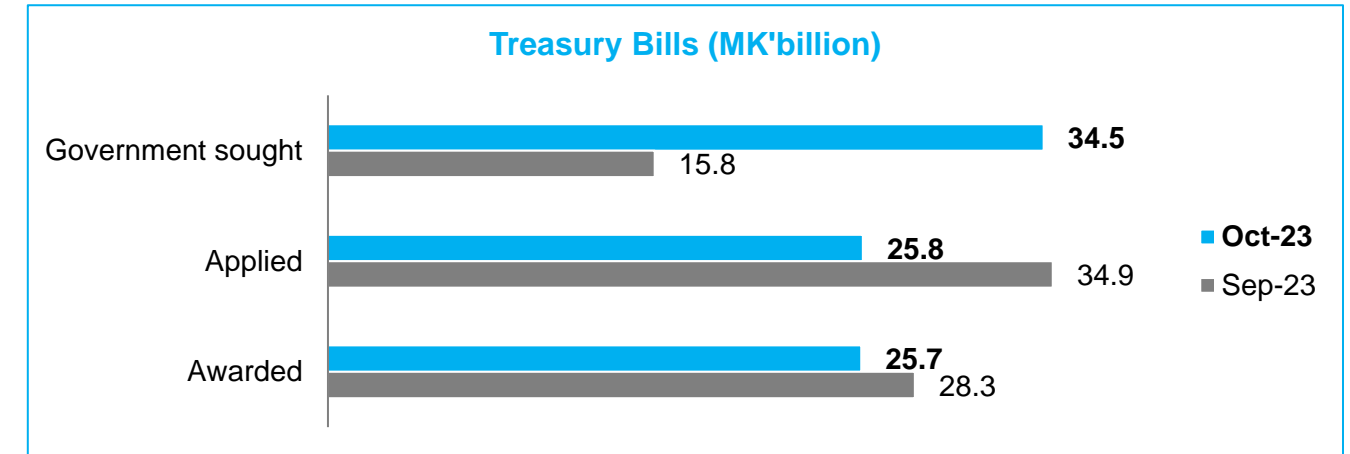
The government sought to borrow MK93.4 billion through Treasury Notes (TNs) auctions in October 2023. This represents a 47.2% decrease from MK176.9 billion that was sought in September 2023. Total participant applications stood at MK156.3 billion in October 2023. This represents a 78.1% increase from MK87.8 billion which was applied for in September 2023. A total of MK156.3 billion was awarded in the TNs auctions in October 2023. This entailed a 78.1% increase from MK87.8 billion, awarded in September 2023. The TNs auction had a nil rejection rate in October 2023 just as in September 2023.

All in all, the government sought to raise MK127.9 billion in TBs and TNs auctions in October 2023. This represents a 33.6% decrease from MK192.7 billion sought in September 2023. A total of MK182.0 billion was awarded, up 56.8% from MK116.1 billion awarded in September 2023.

#### Government Securities Yield Curve

From September 2023 to October 2023, the 91, 182 and 364-days TBs yields maintained at 14.70%, 18.00% and 24.00% respectively. As such, the average TB yield maintained at 18.90% in October 2023. The average TB yield was 15.07% in October 2022.

From September 2023 to October 2023, the 2, 3, 5, 7, and 10-year TNs yields maintained at 26.75%, 28.00%, 30.00%, 32.00%, and 33.00% respectively. As a result, the average TN yield maintained at 29.95% in October 2023. The average TN yield was 24.70% in October 2022.





## Fiscal and Monetary Policy Developments

*The Monetary Policy Committee (MPC) has maintained the Policy rate at 24.0% and the Lombard rate at 20 basis points above the Policy rate. The MPC has also maintained the Liquidity Reserve Requirement (LRR) ratio on domestic currency deposits and the LRR ratio on foreign currency deposits at 7.75% and 3.75% respectively.*

*The commercial bank reference rate has been maintained at 23.5%, effective 3 November 2023.*

### Fiscal Policy (Source: RBM)

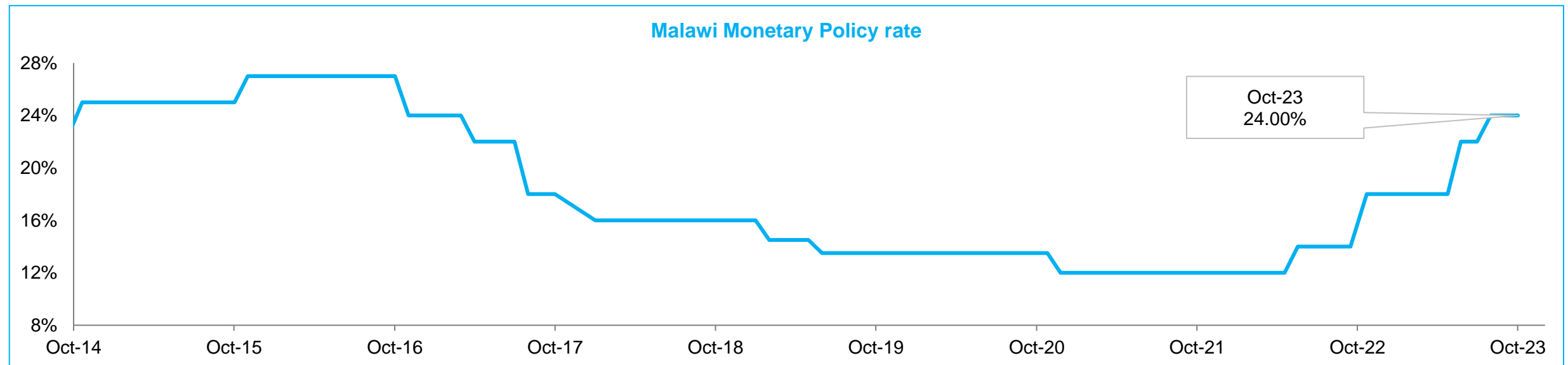
Data from the RBM shows that in the first five months of the 2023/24 fiscal budget implementation, the government collected revenues amounting to MK1.04 trillion and spent MK1.36 trillion (MK0.32 trillion deficit).

As disclosed in the local debt issuance calendar, the government seeks to raise MK259.7 billion through TNs auctions and MK101.2 billion through TBs auctions in the last quarter of 2023.

### Monetary Policy (Source: RBM, NBM)

Following the fourth Monetary Policy Committee (MPC) meeting held on 26 and 27 October 2023, the MPC resolved to maintain the Policy rate at 24.0% and the Lombard rate at 20 basis points above the Policy rate. The Liquidity Reserve Requirement (LRR) ratio on domestic currency deposits and the LRR ratio on foreign currency deposits have also been maintained at 7.75% and 3.75% respectively. The MPC arrived at this decision after considering the recent moderation in inflationary pressures.

The MPC noted that although there has been moderation in inflationary pressures, there are still upside risks to the inflation outlook that include exchange rate movements, increases in crude oil prices, and adverse weather conditions. The Department of Climate Change and Meteorological Services (DCCMS) announced that the country expects moderate to strong El Nino conditions for a significant portion of the agricultural season; October 2023 to April 2024. According to a policy brief published by Lilongwe University of Agriculture and Natural Resources (LUANAR) Centre for Agricultural Research and Development, El Nino may negatively impact agricultural crop output, thereby downward affecting the country's economic growth. El Nino induced food shortages may likely increase food prices both in rural and urban areas, inflating general market prices. Therefore, the MPC will closely monitor indications of inflationary pressures and will be ready to act accordingly in line with its monetary policy mandate.



The commercial bank reference rate has been maintained at 23.5%, effective 3 November 2023.



## Commodity Market Developments

### Maize, Oil, and other commodities market developments

*The retail maize price increased to MK695/kg in the last week of September 2023 from MK689/kg in the last week of August 2023.*

*The monthly average OPEC Reference Basket (ORB) price decreased by 2.9% to a monthly average of USD91.86/barrel in October 2023, from USD94.60/barrel in September 2023.*

#### Local Maize Price Developments (Source: IFPRI)

Data from the International Food Policy Research Institute (IFPRI) September 2023 monthly maize market report showed that retail maize prices increased by 1% in September 2023 compared to a 6% increase in August 2023. The retail maize price increased from MK689/kg in the last week of August 2023 to MK695/kg in the last week of September 2023. The report further shows that maize prices were highest in the Southern region but relatively stable in contrast to growth in the Central region and decline in the Northern region.

Annual comparisons indicate that the retail maize price has increased by 108% as it was at MK334/kg in September 2022.

#### Global Oil Price Developments (Source: OPEC, Reuters)

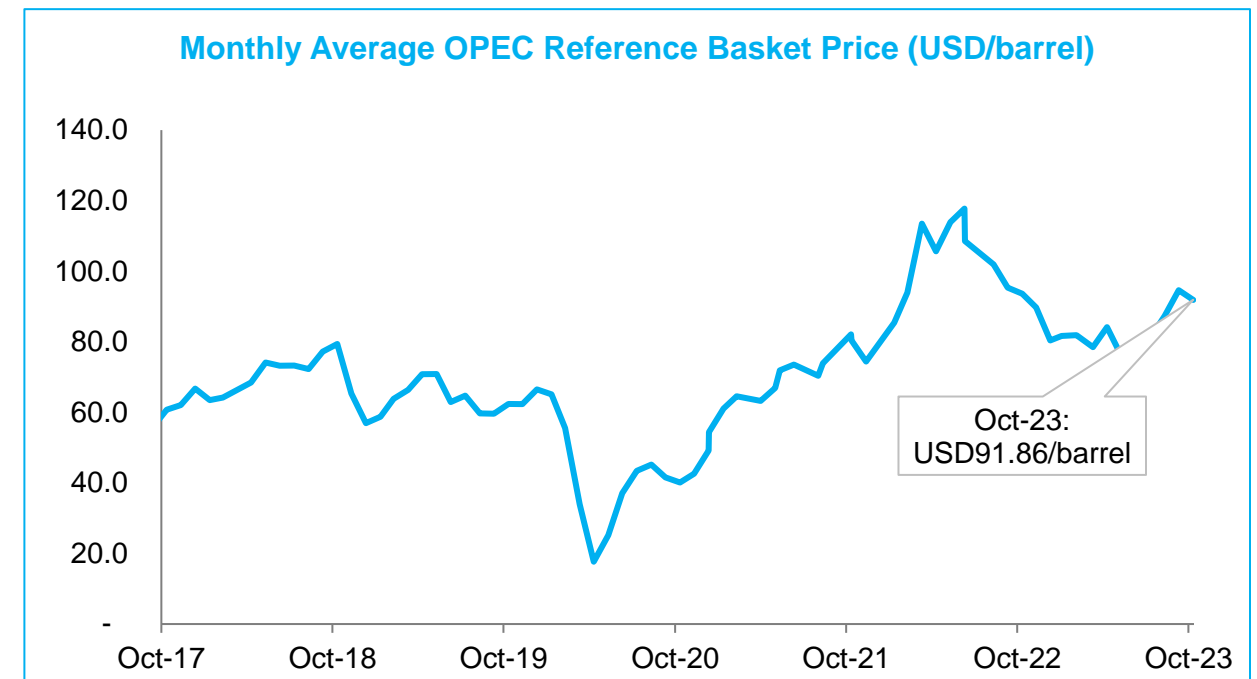
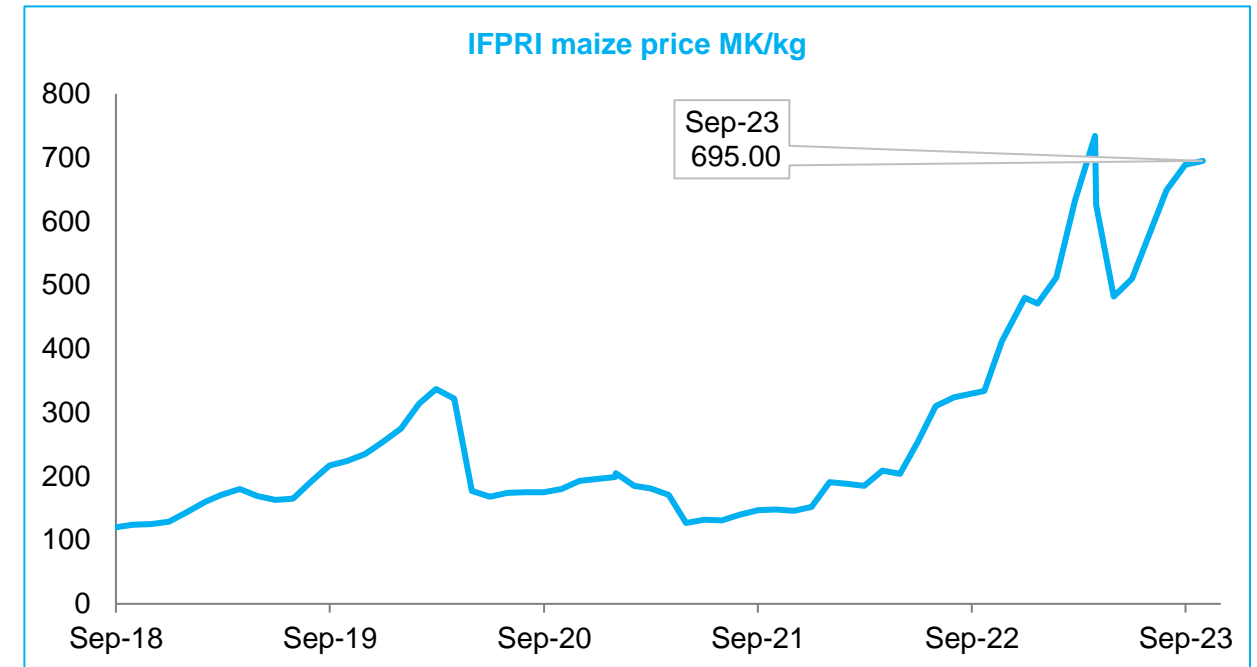
The monthly average OPEC reference basket price decreased to a monthly average of USD91.86/barrel in October 2023, from a monthly average of USD94.60/barrel in September 2023. This represents a decrease of 2.9% month-on-month. Year-on-year, this represents a 1.9% decrease from an average price of USD93.62/barrel as of October 2022.

In its October 2023 monthly report, OPEC maintained its forecast of world oil demand to rise by 2.4 mb/d to an average of 102.1 mb/d in 2023. In 2024, solid global economic growth amid continued improvements in China is expected to boost consumption of oil. World oil demand is anticipated to rise by 2.2 mb/d y-o-y, with total world oil demand projected to average 104.3 mb/d.

Further to this, OPEC projects that US oil demand is expected to exceed pre-pandemic levels at 20.4 mb/d, mainly due to recovery in jet fuel and improvements in gasoline and light distillate demand.

#### Other Commodity Price Developments (Source: World Bank)

According to World Bank commodity prices data, global tea prices marginally increased to USD2.9/Kg in September 2023 from USD2.8/Kg in August 2023. World sugar prices also marginally increased to USD0.6/Kg in September 2023 from USD0.5/Kg in August 2023. For fertilizers, Urea prices decreased to USD380.0/mt in September 2023 from USD385.6/mt in August 2023, Diammonium Phosphate (DAP) prices marginally declined to USD527.9/mt in September 2023 from USD528.8/mt in August 2023, and Potassium Chloride prices marginally increased to USD347.5/mt in September 2023 from USD346.3/mt in August 2023.



## **A summary of the African Development Bank Malawi 2023 Country Focus Report**



*The AfDB has argued that climate change poses a significant hurdle to Malawi's ambitious development objectives. The country is grappling with substantial developmental issues, which are further exacerbated by the changing climate.*

*With a ranking of 163rd out of 182 countries in 2020 according to the Notre Dame Global Adaptation Index, Malawi is regarded as extremely vulnerable to climate change.*

### Introduction

The September 2023 Malawi Country Focus report reviews the role and potential of the private sector in financing climate change and green growth. It further explores the scope for harnessing natural capital to finance adaptation and mitigation to climate change and to promote green growth. It builds on the analyses carried out at the continental level in the African Development Bank's (AfDB) main African Economic Outlook report.

### Macroeconomic performance and outlook

According to the AfDB, Malawi is facing structural and systematic weaknesses that have elevated the economy's vulnerability to shocks. Malawi is currently experiencing macroeconomic instability coupled with debt distress, both of which require significant reforms if the country is to attract investments that would ensure the objectives of its medium and long-term strategy are realized.

Investing in climate change actions and green growth is critical to building resilience. Existing infrastructure gaps, and climate adaptation and mitigation measures are central to making Malawi an attractive investment destination given its land-locked position and increased vulnerability to climate change.

### Private sector financing for climate change and green growth

The AfDB has argued that climate change poses a significant hurdle to Malawi's ambitious development objectives. The country is grappling with substantial developmental issues, which are further exacerbated by the changing climate. With a ranking of 163rd out of 182 countries in 2020 according to the Notre Dame Global Adaptation Index, Malawi is regarded as extremely vulnerable to climate change.

The frequency and intensity of climate-related disasters are on an upward trend, inflicting devastating damage. For households living on the edge, a single disaster could drastically raise their chances of descending into poverty. Infrastructure damage, particularly from flooding, not only disrupts electrical services, travel, and commercial activities but also demands substantial financial resources for repairs and reconstruction, consequently diverting already limited resources away from other developmental necessities. For example, the estimated damage caused by Tropical Storm Ana equated to around 1.5–2.7% of Malawi's GDP, with notable costs involved in the extensive repair and refurbishment of the Kapichira Dam.

Furthermore, a World Bank analysis shows that climate change may impose large costs on the economy and on already vulnerable households. Climate change could reduce Malawi's GDP growth by 3–9% by 2030, 6–20% by 2040, and 8–16% by 2050.

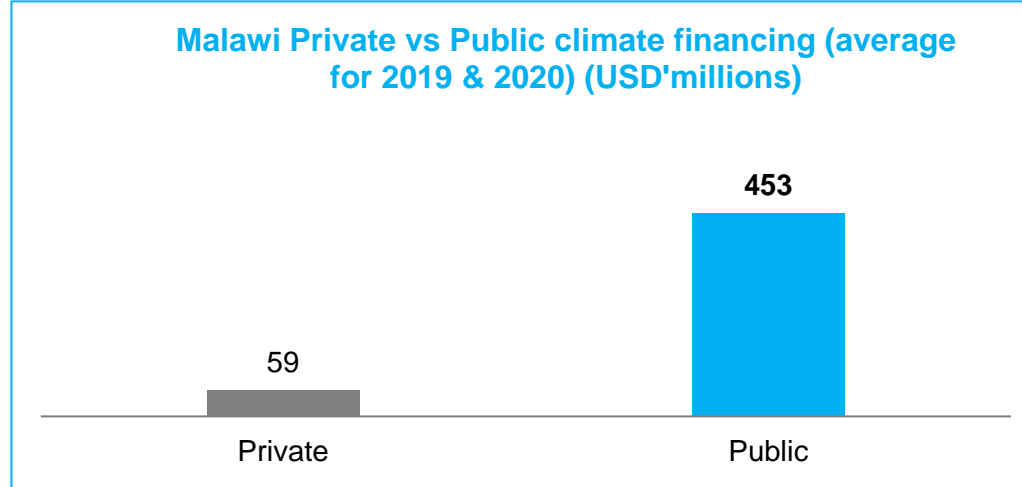
According to the AfDB, there is already a strong political commitment towards green growth and climate action in Malawi. Real action in implementing the several policies, and legislative and strategic frameworks need to be expedited with support from development partners.

In the AfDB's assessment, strengthening cross-sectoral coordination will contribute towards mobilizing additional private sector finance. Malawi needs to ensure strong horizontal and vertical integration among the critical institutions charged with the implementation of climate actions and green growth. This includes the development of green skills and addressing the existing capacity gaps that limit the development of commercially viable green growth and climate change projects for private sector investments.

Malawi has thus far only mobilized limited resources from the private sector for climate finance. Between 2019 and 2020, Malawi mobilized USD512 million per year in climate finance, or approximately 23% of its needs as assessed by the AfDB. The gap, estimated at an average of USD1.69 billion per year, could partly be bridged through greater private sector mobilization. Assuming public contributions remain stable over the next few years, the current private sector contribution must be increased by at least 28 times to cover the country's entire needs.



*The private sector in Malawi has opportunities to invest in affordable environmentally-friendly urban housing, energy, transportation, and food and waste management services, thanks to the country's youthful population, urbanization, agricultural diversification, and the adoption of new and existing technologies.*



### Financing opportunities for green growth and climate change in Malawi

The private sector in Malawi has opportunities to invest in affordable environmentally-friendly urban housing, energy, transportation, and food and waste management services, thanks to the country's youthful population, urbanization, agricultural diversification, and the adoption of new and existing technologies.

With the integration of numerous innovative financing tools including green bonds, carbon markets, debt-for-nature swaps and blend financing, current developments in the financial markets represent clear opportunities for Malawi to improve the financing needed to implement actions for green, sustainable, and inclusive growth.

According to the AfDB, to promote increased resource mobilization from the private sector on national, regional, and global scales, the Malawian government should enhance the expertise of its professionals in technical and financial structuring of climate projects.

Simultaneously, it should work on improving the business environment by establishing and reinforcing an incentive-driven regulatory, institutional, and governance framework. Multilateral banks and development finance institutions can support Malawi in this regard.

For development partners, assistance with capacity-building activities to enhance the legislative, policy, and regulatory frameworks will increase the private sector investments in climate actions and green growth.

For regional organizations, the dissemination of information on regional opportunities for value chain development in the context of the African Continental Free Trade Area (AfCFTA) will foster private sector collaborations and investments in climate actions and green growth.

### Natural capital for climate finance and green growth

In the AfDB's view, Malawi's non-renewable natural capital is increasing but there is a need for action to reverse the decline in renewable natural capital which is currently under threat. The loss of forest ecosystems and marine biodiversity is a present risk which requires active management and harnessing the returns from these systems in a sustainable manner is also required. More can also be done to exploit clean energy resources through an attractive incentives framework to increase investments.

Significant deficiencies in infrastructure and economic policy discrepancies hinder competitiveness and obstruct economic diversification. Although Malawi's human capital is showing signs of improvement, it continues to be restricted by factors like low levels of education and gender imbalances. Further, the commercial environment is crippled by weak institutions, corruption, a lack of transparency, and substantial policy ambiguity.

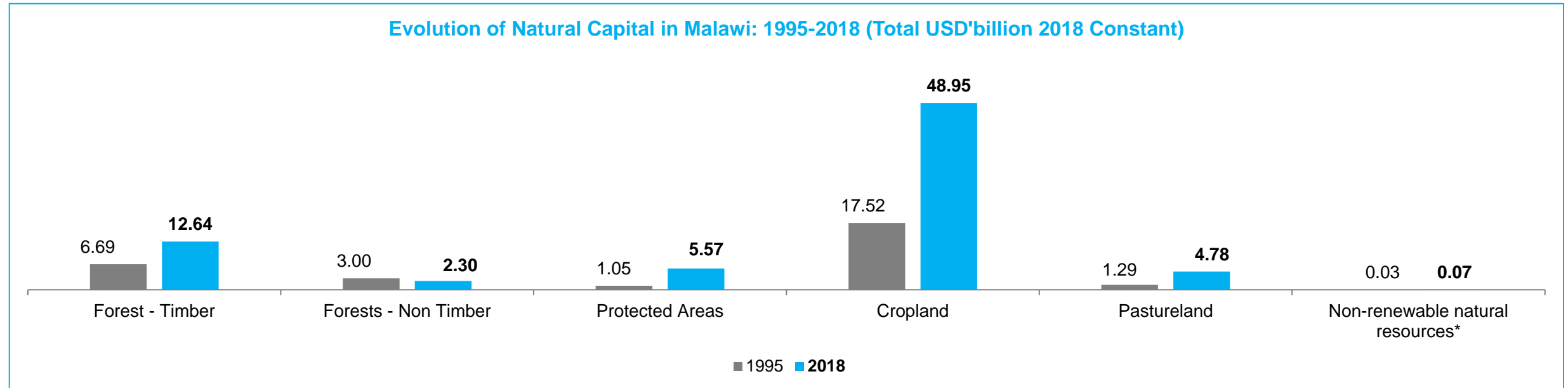
Non-renewable assets are not being fully utilized to their full potential due to limited investments, especially in the mining sector. The investment climate needs to be improved to attract investments that could best exploit mineral endowments and develop associated value chains. This raises the importance of good governance in managing the returns from natural capital and in bringing together physical and human capital to add value to the country's primary products for enhanced exports.



According to the AfDB, Malawi had an increase in the value of renewable resources over the 1995-2018 period of 146.4%. In per capita terms, Malawi experienced a decline in renewable assets of 4%, while its non-renewable assets increased by 231% over the 1995-2018 period.

Natural capital for climate finance and green growth (continued)

For the AfDB, international agreements provide a prime opportunity for Malawi to benefit from its natural capital. There is a need to make better use of international agreements related to climate change and biodiversity to get higher returns from the substantial endowments of natural assets in the country, whilst contributing to global goals.



\*: Non-renewable natural resources consist of sub-soil assets, coal, and metal and minerals.

Natural capital is tracked in three groups: a) renewable capital, consisting of forest timber, forest non-timber, mangroves, fisheries, protected areas, cropland, and pastureland; (b) non-renewable assets, separated into oil, natural gas, coal, and minerals. In addition, unmeasured forms of natural wealth, such as renewable energy potential from solar, wind and hydro-resources, landscapes, and marine assets are also reviewed but qualitatively. The increase in natural capital in Malawi is mainly driven by discoveries of non-renewable capital assets, as renewable capital has declined. According to the AfDB, Malawi had an increase in the value of renewable resources over the 1995-2018 period of 146%. In per capita terms, Malawi experienced a decline in renewable assets of 4%, while its non-renewable assets increased by 231% over the 1995-2018 period.

## Appendices

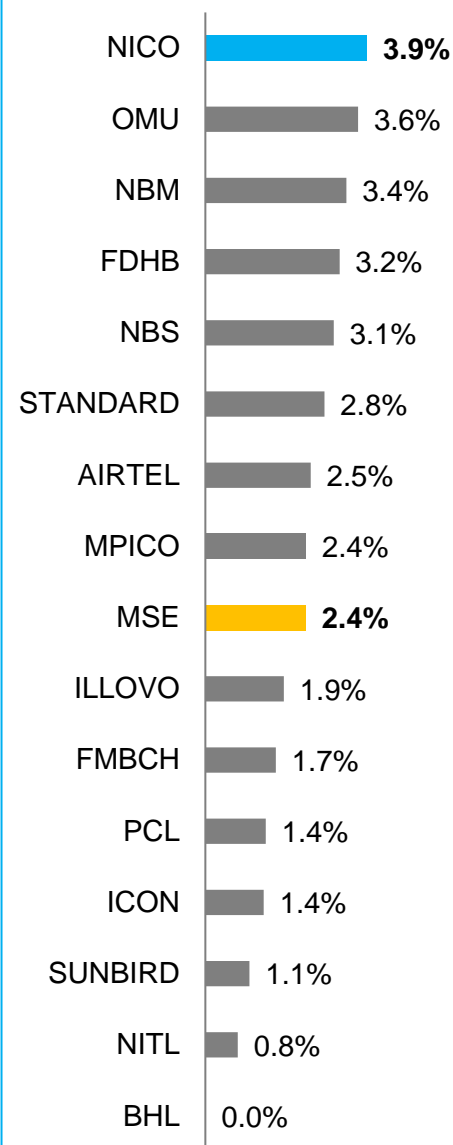


## Appendix 1: Historical Monthly Economic Indicators

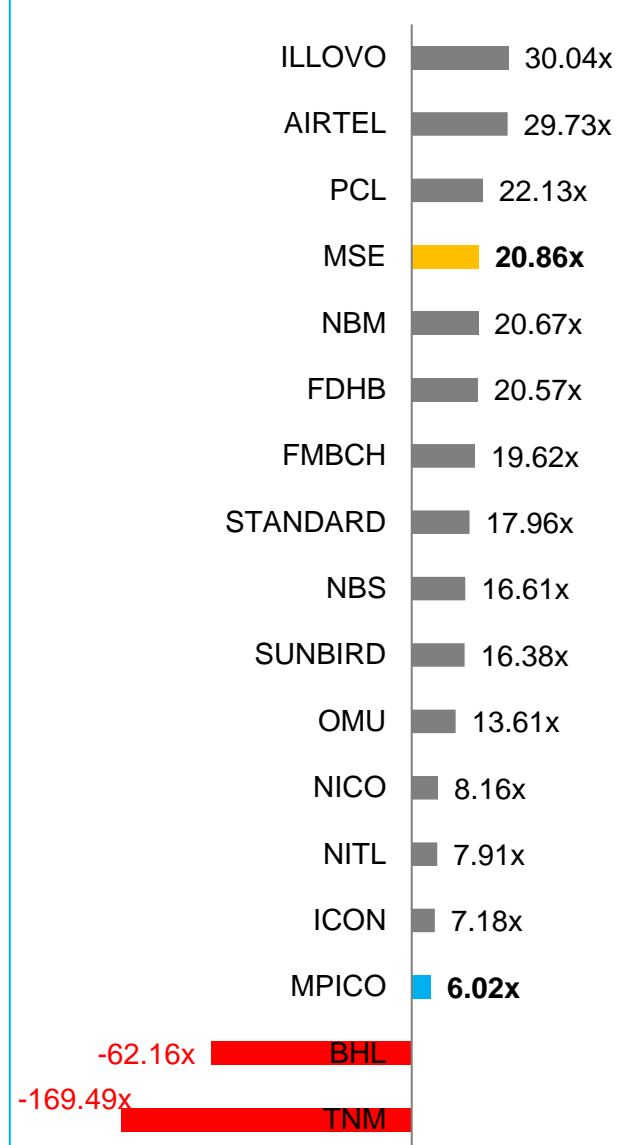
	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23
<b>Exchange rates (middle rates)</b>													
MK/USD	1,032.88	1,034.42	1,031.87	1,031.87	1,033.68	1,033.80	1,034.86	1,034.46	1,058.82	1,061.67	1,094.74	1,126.50	<b>1,179.83</b>
MK/GBP	1,234.05	1,276.81	1,305.57	1,305.57	1,280.21	1,315.33	1,325.22	1,317.23	1,377.77	1,400.92	1,429.20	1,412.17	<b>1,473.63</b>
MK/EUR	1,062.62	1,105.82	1,152.30	1,152.30	1,128.21	1,156.66	1,171.01	1,135.21	1,183.15	1,203.76	1,226.61	1,225.22	<b>1,285.81</b>
MK/ZAR	58.36	62.11	60.72	60.72	57.83	59.76	57.89	53.58	57.92	61.70	60.02	60.67	<b>63.95</b>
<b>Foreign Exchange Reserves</b>													
Gross Official Reserves (USD'mn)	326.06	338.87	304.65	279.22	280.66	228.49	200.08	194.82	321.53	267.91	239.56	N/A	N/A
Private Sector Reserves (USD'mn)	427.67	400.77	399.20	384.37	378.54	375.36	403.93	386.90	407.47	406.63	419.35	N/A	N/A
Total reserves (USD'mn)	753.73	739.64	703.85	663.59	659.20	603.85	604.01	581.72	729.00	674.54	658.91	N/A	N/A
Gross Official Reserves Import cover (months)	1.30	1.36	1.22	1.12	1.12	0.91	0.80	0.78	1.29	1.07	0.96	N/A	N/A
<b>Inflation</b>													
Headline	26.7%	25.8%	25.4%	25.9%	26.7%	27.0%	28.8%	29.2%	27.3%	28.4%	28.6%	27.8	N/A
Food	34.5%	33.4%	31.3%	30.5%	31.7%	32.4%	37.9%	38.8%	37.2%	39.3%	39.4%	36.8	N/A
Non-food	18.6%	17.7%	18.6%	20.4%	20.5%	20.2%	18.5%	18.4%	16.0%	16.0%	16.1%	17.2	N/A
<b>Interest Rates</b>													
Monetary Policy rate	18.00%	18.00%	18.00%	18.00%	18.00%	18.00%	22.00%	22.00%	22.00%	24.00%	24.00%	24.00%	<b>24.00%</b>
Average Interbank rate	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.19%	19.26%	20.38%	20.51%	22.76%	22.79%	<b>22.91%</b>
Lombard rate	18.20%	18.20%	18.20%	18.20%	18.20%	18.20%	22.20%	22.20%	22.20%	24.20%	24.20%	24.20%	<b>24.20%</b>
Commercial Bank reference rate	13.90%	16.60%	17.30%	17.30%	17.30%	17.30%	17.30%	20.00%	21.00%	22.70%	22.70%	23.40%	<b>23.50%</b>
<b>Government Securities Yields</b>													
91-days Treasury Bill	11.00%	13.00%	13.00%	13.00%	13.00%	13.00%	12.98%	13.00%	13.00%	13.00%	14.70%	14.70%	<b>14.70%</b>
182-days Treasury Bill	15.50%	17.50%	17.50%	17.50%	17.50%	17.50%	17.50%	17.50%	18.00%	18.00%	18.00%	18.00%	<b>18.00%</b>
364-days Treasury Bill	18.75%	19.50%	19.50%	19.50%	19.50%	19.50%	19.50%	22.49%	22.50%	22.50%	24.00%	24.00%	<b>24.00%</b>
2-year Treasury Note	21.50%	22.50%	22.50%	22.75%	22.75%	22.75%	22.75%	24.75%	24.75%	24.75%	26.75%	26.75%	<b>26.75%</b>
3-year Treasury Note	23.00%	23.00%	24.00%	24.00%	24.00%	24.00%	24.00%	26.00%	26.00%	26.00%	28.00%	28.00%	<b>28.00%</b>
5-year Treasury Note	25.00%	26.00%	26.00%	26.19%	26.19%	26.25%	26.25%	28.00%	28.00%	28.00%	30.00%	30.00%	<b>30.00%</b>
7-year Treasury Note	26.50%	27.50%	27.50%	27.50%	27.50%	27.50%	27.50%	29.50%	29.50%	29.50%	30.46%	32.00%	<b>32.00%</b>
10-year Treasury Note	27.50%	27.50%	28.50%	28.50%	28.50%	28.50%	28.50%	31.19%	31.25%	31.25%	32.83%	33.00%	<b>33.00%</b>
<b>Stock Market Indices</b>													
MASI	55,046.26	55,795.69	62,036.05	68,451.77	71,069.31	80,298.12	86,462.61	102,837.75	108,656.97	112,492.50	119,077.99	118,426.19	<b>113,969.91</b>
DSI	44,986.52	48,811.22	50,804.03	54,351.80	56,674.50	64,886.76	70,512.35	83,365.40	87,071.03	88,364.93	90,336.93	89,173.86	<b>89,656.70</b>
FSI	5,100.84	5,613.43	5,614.30	8,374.09	8,382.28	8,381.79	8,202.52	10,396.15	12,297.19	14,982.64	19,947.76	20,692.42	<b>15,011.81</b>

## Appendix 2: Selected stock market statistics as of 31 October 2023

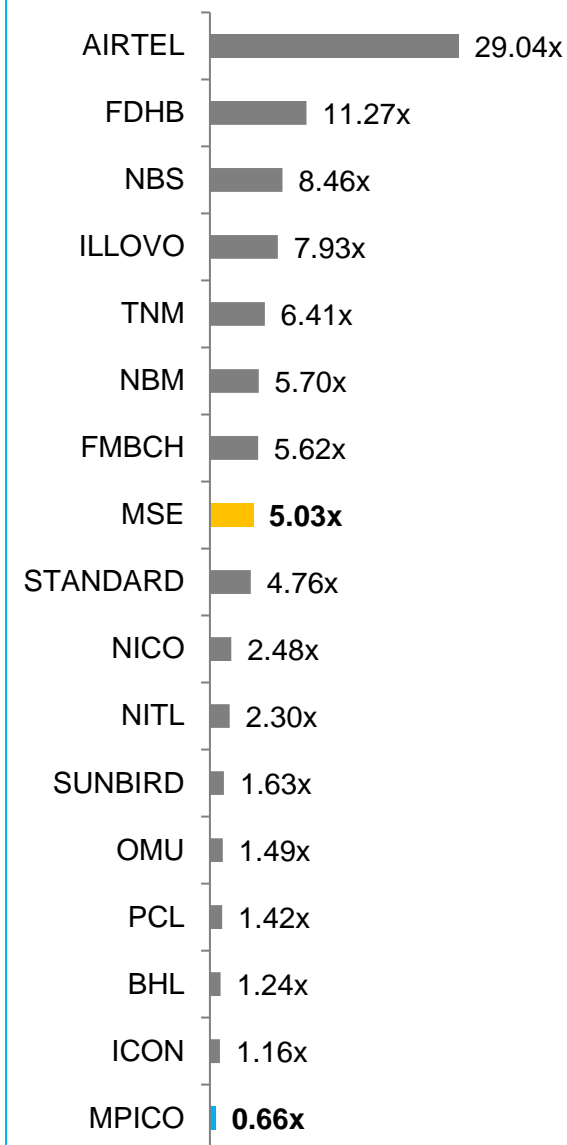
**Dividend Yield (%)** - the weighted average dividend yield on the MSE was 2.4% in October 2023. The counter with the highest dividend yield was NICO at 3.9%.



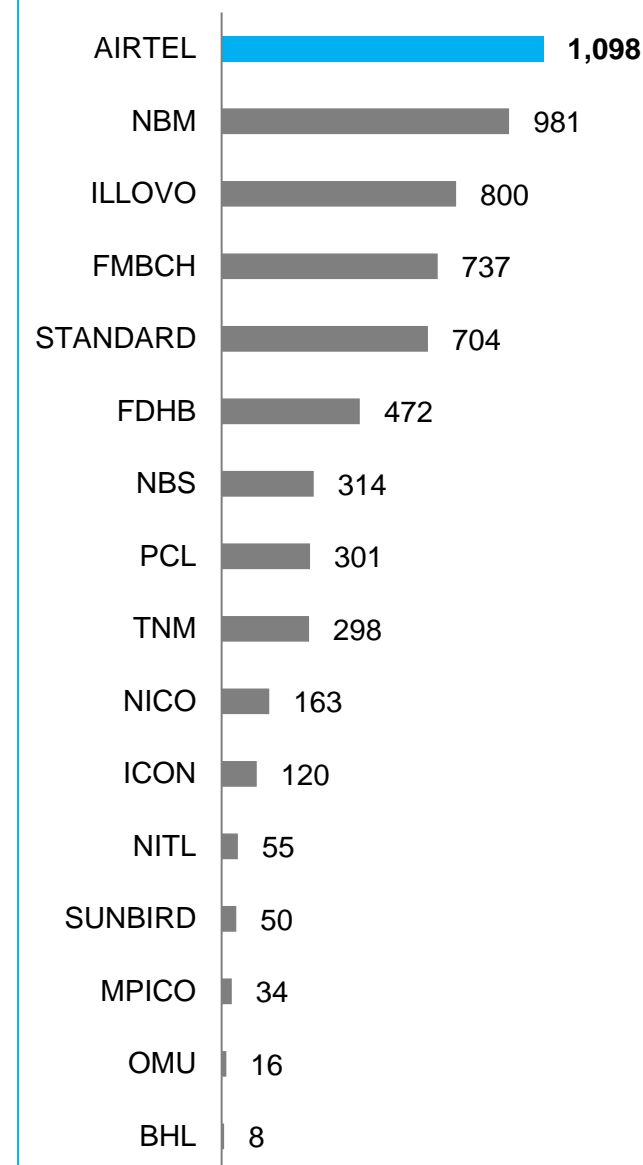
**P/E Ratio** - the weighted average price to earnings ratio on the MSE was 20.86x in October 2023. The counter with the lowest positive ratio was MPICO at 6.02x.



**P/BV Ratio** - the weighted average price to book value ratio on the MSE was 5.03x in October 2023. The counter with the lowest ratio was MPICO at 0.66x.



**Market Capitalization (MK'billion)**  
- AIRTEL had the highest market capitalization at MK1.098 trillion in October 2023.



## Appendix 3: IMF and World Bank Projections

### IMF projections

Annual percentage change (unless otherwise indicated)					
	2021	2022	2023	2024	2025
GDP at constant market prices	4.6	0.8	1.7	3.3	3.8
Nominal GDP (trillions of kwacha)	10	11.8	14.8	17.7	20.5
Consumer Prices (annual average)	9.3	20.8	27.7	19.8	12.2
National Savings (% of GDP)	-5.2	9.9	4.7	2.5	0.7
Gross Investment (% of GDP)	8.9	13.1	12.7	11.5	9.3
Revenue (percent of GDP on a fiscal year basis)	14.6	14.3	17.4	17.7	19.8
Tax and non-tax revenue (Revenue) (% of GDP on fiscal year basis)	12.9	12.5	13.5	14.9	17.5
Grants (Revenue) (% of GDP on fiscal year basis)	1.7	1.8	3.9	2.7	2.3
Overall balance (including grants) (% of GDP on fiscal year basis)	-7.4	-9	-11.8	-10.5	-9.4
Foreign financing (% of GDP on fiscal year basis)	1.3	2.6	3.3	0.6	0
Total domestic financing (% of GDP on fiscal year basis)	8	6.9	8.5	8.4	8.6
Credit to the private sector (% change)	22.2	24.1	16	8.2	5.1
Exports (goods and services) (USD millions)	1.2	1.1	1.3	1.5	1.6
Imports (goods and services) (USD millions)	3.3	1.8	2.5	2.6	2.7
Gross official reserves (USD millions)	429	120	499	747	846
Gross official reserves (months of imports)	1.6	0.6	2.3	3.3	3.7
Current account (% of GDP)	-14.1	-3.2	-5.9	-8.5	-8.6
Overall balance (% of GDP)	0	-0.1	-2.6	0.1	-0.2
External debt (public sector) (% of GDP)	31.5	34.4	37.1	35.3	33.5
NPV of public external debt (% of exports)	218.6	264.7	187.1	162.3	145.9
Domestic public debt (% of GDP)	30	40.8	43.2	44.9	47.4
Total public debt (% of GDP)	61.5	75.2	80.2	80.2	80.9

### World Bank projections

Annual percentage change (unless otherwise indicated)					
	2020	2021	2022	2023	2024
GDP at constant market prices (% change)	0.8	2.8	0.9	1.4	2.4
Agriculture	3.4	5.2	-1.0	0.5	2.4
Industry	1.2	1.9	0.9	1.3	2.4
Services	-0.5	2.0	1.8	1.8	2.5
Consumer prices (annual average)	8.6	9.3	21.8	25.7	20.8
Revenue and grants (% of GDP)	14.6	14.3	14.1	15.9	16.0
Domestic revenue - tax and non-tax (% of GDP)	13.1	12.8	13.0	12.6	14.1
Grants (% of GDP)	1.5	1.5	1.1	3.2	2.0
Expenditure and net lending (% of GDP)	20.9	21.4	22.5	26.8	23.8
Overall balance - excluding grants (% of GDP)	-7.8	-8.6	-9.5	-10.9	-9.7
Overall balance - including grants (% of GDP)	-6.3	-7.1	-8.4	-7.7	-7.7
Foreign financing (% of GDP)	0.8	1.0	0.9	1.9	0.8
Domestic financing (% of GDP)	4.9	5.9	7.7	5.3	6.9
Money and quasi-money (% change)	16.7	30.0	38.5	25.0	20.2
Credit to the private sector (% change)	16.1	17.8	23.2	14.7	10.9
Exports - goods and services (USD mn)	1,202	1,266	1,216	1,417	1,487
Imports - goods and services (USD mn)	3,088	3,250	2,707	2,941	3,077
Gross official reserves (USD mn)	566	429	110	379	513
Months of import cover	2.1	1.6	0.4	1.5	1.9
Current account (percent of GDP)	-13.8	-14.3	-3.2	-11.3	-11.3
Exchange rate (MK per US\$ average)	749.5	805.9	949.0	—	—
External debt (public sector, % of GDP)	32.9	31.5	34.7	37.6	36.0
Domestic public debt (percentage of GDP)	21.9	30.0	40.8	42.9	44.3
Total public debt (percentage of GDP)	54.8	61.5	75.5	80.5	80.3

## Appendix 4: EIU, AfDB and Oxford Economics Projections

### EIU projections

Economic growth (%)	2022	2023	2024	2025	2026	2027
GDP	0.8	0.7	2.0	2.5	3.2	3.5
Private consumption	0.5	1.0	1.5	2.0	2.4	3.1
Government consumption	2.0	1.8	2.8	2.7	2.6	2.4
Gross fixed investment	3.5	2.0	5.0	5.7	5.8	5.9
Exports of goods & services	3.3	4.3	4.8	5.0	5.5	5.6
Imports of goods & services	3.0	4.0	4.3	4.5	4.7	5.1
Domestic demand	1.0	1.2	2.1	2.5	2.9	3.4
Agriculture	0.1	1.0	1.3	1.5	2.2	2.6
Industry	1.5	0.2	1.6	2.3	2.6	3.0
Services	1.0	0.7	2.5	3.1	3.9	4.1
Key indicators						
Consumer price inflation (av; %)	21.0	30.5	22.8	10.6	12.1	12.1
Government balance (% of GDP)	-11.8	-13.0	-8.8	-6.5	-4.9	-4.4
Current-account balance (% of GDP)	-24.9	-19.4	-15.1	-11.4	-10.3	-9.4
Short-term interest rate (av; %)	10.6	18.0	12.5	12.5	11.0	9.5
Exchange rate MK:US\$ (av)	941.4	1,095.9	1,251.4	1,339.2	1,664.4	2,000.0

### Oxford Economics Projections

Annual percentage unless indicated otherwise	2021	2022	2023	2024	2025	2026
Real GDP growth	4.6	0.8	1.9	3.8	4.0	4.0
CPI inflation	9.3	20.8	27.8	21.5	14.2	8.4
Exports of goods (\$ bn)	1.1	1.2	1.5	1.4	1.5	1.6
Imports of goods (\$ bn)	3.0	3.1	3.3	3.5	3.7	4.0
Current account (\$ bn)	-1.5	-1.6	-1.4	-1.6	-1.7	-1.7
Current account balance (% of GDP)	-12.4	-12.4	-9.7	-10.3	-9.5	-9.3
Exchange rate per USD (year average)	804.2	941.4	1,077.6	1,255.5	1,317.5	1,385.7
External debt total (\$ bn)	3.2	4.4	6.1	7.4	8.3	9.0
Government balance (% of GDP)	-8.6	-9.3	-8.7	-7.4	-6.3	-5.5
Government debt (% of GDP)	61.5	75.2	78.8	75.0	73.8	74.7
Population (millions)	19.9	20.4	20.9	21.5	22.0	22.6
Nominal GDP (\$ bn)	12.4	12.5	14.3	15.4	17.5	18.8
GDP per capita (\$ current prices)	623.7	614.3	681.6	718.8	793.1	830.3

### AfDB projections

Annual percentage change (unless otherwise indicated)	2021	2022	2023	2024
Real GDP growth	2.2	0.8	2.0	3.5
Consumer price index inflation	9.3	15.0	22.8	15.4

## Appendix 5: World Bank commodity market prices

### World Bank commodity prices

	Annual averages			Monthly averages			
	2020	2021	2022	June 2023	July 2023	August 2023	September 2023
<b>Produce (USD/mt)</b>							
Soybeans	407.0	583.0	675.0	592.0	634.0	584.0	619.0
Maize	165.5	259.5	318.8	266.9	242.4	207.6	223.8
<b>Sugar &amp; Tea (USD/Kg)</b>							
Sugar - EU	0.4	0.4	0.3	0.4	0.4	0.4	0.4
Sugar - U.S.	0.6	0.7	0.8	0.9	0.9	0.9	0.9
Sugar - World	0.3	0.4	0.4	0.5	0.5	0.5	0.6
Tea - average	2.7	2.7	3.1	2.7	2.5	2.8	2.9
<b>Fertilizers (USD/mt)</b>							
DAP	312.4	601.0	772.2	454.6	458.8	528.8	527.9
Phosphate rock	76.1	123.2	266.2	344.5	342.5	346.3	347.5
Potassium chloride	241.1	542.8	863.4	328.0	341.3	353.1	352.0
TSP	265.0	538.2	716.1	390.0	392.3	450.6	461.5
Urea, E. Europe	229.1	483.2	700.0	287.5	334.6	385.6	380.0
<b>Precious Metals (USD/toz)</b>							
Gold	1,770.0	1,800.0	1,801.0	1,943.0	1,951.0	1,919.0	1,916.0
Platinum	883.0	1,091.0	962.0	971.0	950.0	925.0	921.0
Silver	20.5	25.2	21.8	23.4	24.3	23.4	23.1

## Appendix 6: List of Acronyms and Abbreviations

ADB:	Authorized Dealer Bank	LRR:	Liquidity Reserve Requirement	TN:	Treasury Note
AfDB:	African Development Bank	MASI:	Malawi All Share Index	TNM:	Telekom Networks Malawi Plc
av:	Average	Mb/d:	Million barrels per day	Toz:	Troy ounces
BHL:	Blantyre Hotels Plc	Mt:	Metric tons	USD:	United States Dollar
bn:	Billion	MK:	Malawi Kwacha	ZAR:	South African Rand
CPI:	Consumer Price Index	mn:	Million		
DAP:	Diammonium Phosphate	MPC:	Monetary Policy Committee		
DCCMS:	Department of Climate Change and Meteorological Services	MSE:	Malawi Stock Exchange		
DSI:	Domestic Share Index	NBM:	National Bank of Malawi Plc		
ECF:	Extended Credit Facility	NICO:	NICO Holdings Plc		
EIU:	Economist Intelligence Unit	NITL:	National Investment Trust Limited Plc		
EUR:	Euro	NSO:	National Statistical Office		
EU:	European Union	OMU:	Old Mutual Limited Plc		
FDHB:	FDH Bank Plc	OPEC:	Organization of the Petroleum Exporting Countries		
FMBCH:	FMB Capital Holdings Plc	ORB:	OPEC Reference Basket		
FSI:	Foreign Share Index	PAT:	Profit After Tax		
GBI:	Green Belt Initiative	P/BV:	Price to book value		
GBP:	Great British Pound	PCL:	Press Corporation Limited Plc		
GDP:	Gross Domestic Product	P/E:	Price to earnings		
IFPRI:	International Food Policy Research Institute	RBM:	Reserve Bank of Malawi		
IMF:	International Monetary Fund	SUNBIRD:	Sunbird Tourism Plc		
Kg:	Kilogram	TB:	Treasury Bill		
kt/a:	Kilotonne per annum	TBA:	To be announced		

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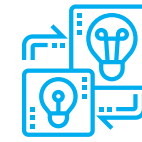
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