

# Malawi Monthly Economic Report and an Overview of the United Nations Economic Commission for Africa Economic Report

March 2025



# Table of Contents

|   | <b>Page</b> |
|---|-------------|
| 1. Executive Summary and Outlook  | 3           |
| 2. Economic Overview  | 4           |
| I. Inflation  | 4           |
| II. Monetary Policy   | 4           |
| III. Foreign Currency Market  | 5           |
| IV. Foreign Exchange Reserve Position   | 5           |
| V. Stock Market   | 6           |
| VI. Corporate Announcements   | 7           |
| VII. Fiscal Policy  | 8           |
| VIII. Government Securities   | 8           |
| 3. Commodity Market Developments  | 9           |
| 4. An Overview of the United Nations Economic Commission for Africa's Economic Report | 10          |
| 5. Appendices   | 14          |
| 6. Disclaimer   | 19          |
| 7. Contact Information  | 20          |

## Inflation and Monetary Policy

In February 2025, the headline inflation rate increased to 30.7% from 28.5% in January 2025. The food inflation rate increased to 38.5% from 36.0% in January 2025, and the non-food inflation rate increased to 18.5% from 16.9% in January 2025.

In the first meeting of 2025 held in January, the Monetary Policy Committee (MPC) decided to maintain the Policy Rate at 26.0%, the Lombard rate at 20 basis points above the policy rate, and the Liquidity Reserve Requirement (LRR) at 10.0% for local currency deposits and 3.75% for foreign currency deposits.

## Foreign Currency Market and Reserves

Based on closing middle rates, the Malawi Kwacha was stable, trading at MK1,750.25/USD as of 31 March 2025 from MK1,749.65/USD as of 28 February 2025.

In January 2025, the country's total foreign exchange reserves increased by 7.5% to USD570.60 million from USD530.90 million in December 2024. The import cover improved to 2.3 months in January 2025 from 2.1 months in December 2024.

The Reserve Bank of Malawi (RBM) announced amendments to the Exchange Control Regulations. The amendments included reducing the mandatory conversion ratio on export proceeds from 30% to 25% and exempting certain manufacturers and exporters from conversion requirements. The RBM will also make changes to foreign exchange dealer licensing, introducing one-year authorizations, and it will implement a requirement for Bank Telegraphic Transfer (TT) copies to verify that their imports have been financed through the formal banking channel.

## Stock Market

The stock market was bullish in March 2025. The Malawi All Share Index (MASI) rose by 2.79% to 291,644.54 points by the end of March 2025 from 283,722.24 points at the end of February 2025. The MASI recorded a year-to-date return of 69.52% in March 2025.

## Fiscal Policy and Government Securities

On 26 March 2025, the Parliament approved an increase in the 2025/26 National Budget, raising total spending to MK8.07 trillion from the MK8.05 trillion proposed on 28 February 2025.

The government raised MK551.72 billion through Treasury Bill (TB) and Treasury Note (TN) auctions in March 2025, a 1.4% increase from the MK544.25 billion raised in February 2025.

## Commodity Market

According to the International Food Policy Research Institute (IFPRI), retail maize price increased by 32% to MK1,718/kg in February 2025 from MK1,304/kg in January 2024 due to low domestic supply and high operational costs.

## Malawi Economic Growth Outlook

For 2025, the real Gross Domestic Product (GDP) growth forecasts for Malawi from various institutions range between 1.6% and 4.2%, with a median of 3.3%.

The Reserve Bank of Malawi (RBM) forecasts a 4.0% growth, driven by the expectations of favorable weather, the full operationalization of the mega-farm program, and increased demand linked to election activities. The World Bank is slightly more optimistic at 4.2%, citing the expectation of a stronger agricultural season and manufacturing output. In contrast, Oxford Economics has revised its forecast down to 2.6% due to the expectation of a weaker agricultural recovery and persistent inflation. The EIU projects the lowest growth at 1.6%, citing forex shortages and drought conditions' effects on agricultural output and power supply.

## Opportunities

The Japanese Government provided a USD1 million (approximately MK1.8 billion) financial boost towards sesame export promotion in February 2025. Sesame is reported to do well in almost all climates in the country, with great resistance to dry weather conditions. The crop is guaranteed 200,000 metric tonnes (MT) of the export market in Japan, but production remains low in the country, only producing 11,000 MT in 2024.

Malawi has launched the Xidian Stock Exchange, a China-led initiative offering a platform for both Malawian and Chinese investors. The Xidian Stock Exchange will operate alongside the existing Malawi Stock Exchange (MSE) and offer investment portfolio diversification opportunities. The Malawi Investment and Trade Centre (MITC) director general says the exchange is expected to boost investor confidence and foreign currency inflows in the long term.

## Risks

As stated in the 2025/2026 budget policy statement, as of September 2024, Malawi's public debt stood at MK16.19 trillion, representing 86.9% of the Gross Domestic Product (GDP). Such high levels of public debt reduce the fiscal space for development initiatives and increase vulnerabilities to external shocks.

Malawi has had a high inflationary environment over the past few years, with price pressures expected to persist over the medium term. In the short term, volatile weather conditions negatively impacting the agricultural sector pose upside risks to inflation. The low forex reserves and wide external deficit heighten the risk of another currency devaluation in the short run, which would impede expectations of disinflation in 2025.

## A Brief on the Economic Report on Africa 2025

According to the United Nations Economic Commission for Africa (UNECA), unprecedented geopolitical tensions, high debt levels, the rise of nationalism, and climate challenges are creating great uncertainty about the future trajectory of the global economy. These uncertainties provide an opportunity for the African continent to renew its commitment to regional integration and hasten the implementation of the African Continental Free Trade Area (AfCFTA). UNECA emphasizes that AfCFTA provides a game-changing framework to boost trade-led growth, unlock regional value chains, boost competitiveness, and ensure that Africa transitions from being a supplier of raw materials to a producer of high-value goods and services. It will create an opportunity for African economies to increase growth, create jobs, broaden economic inclusion, and lift millions out of extreme poverty.



# Economic Overview

## Inflation and Monetary Policy

*In February 2025, the headline inflation rate increased by 2.2 percentage points to 30.7% from 28.5% in January 2025, driven by the rise in both the food and the non-food inflation rates.*

*The commercial bank reference rate for April 2025, effective 3 April 2025, is 25.1%.*

### Inflation (Source: NSO, WB, EIU, Oxford Economics, Government of Malawi)

The headline inflation rate increased by 2.2 percentage points to 30.7% in February 2025 from 28.5% in January 2025, driven by the rise in both the food and the non-food inflation rates. The food inflation rate increased to 38.5% in February 2025 from 36.0% in January 2025, and the non-food inflation rate increased to 18.5% in February 2025 from 16.9% in January 2024.

The World Bank projects the annual average inflation rate for 2025 at 27.3% as rising prices for food, housing, and utilities continue to drive inflation, and the underlying price pressures remain elevated. The EIU projects that inflation will remain elevated in 2025 at an average of 28.3% due to continued deficit financing ahead of the 2025 election. Oxford Economics projects that the annual average inflation will moderate to an average of 21.0% in 2025. In their view, food price inflation will remain elevated in the first half of 2025 due to the rise in the price of maize. Nevertheless, they expect that the base effects will help ease inflation in 2025, while better harvests will also reduce food price pressures in the second half of the year. In the 2025/2026 budget policy statement, the Government of Malawi projects the average inflation rate for the upcoming fiscal year to be 22.3%.

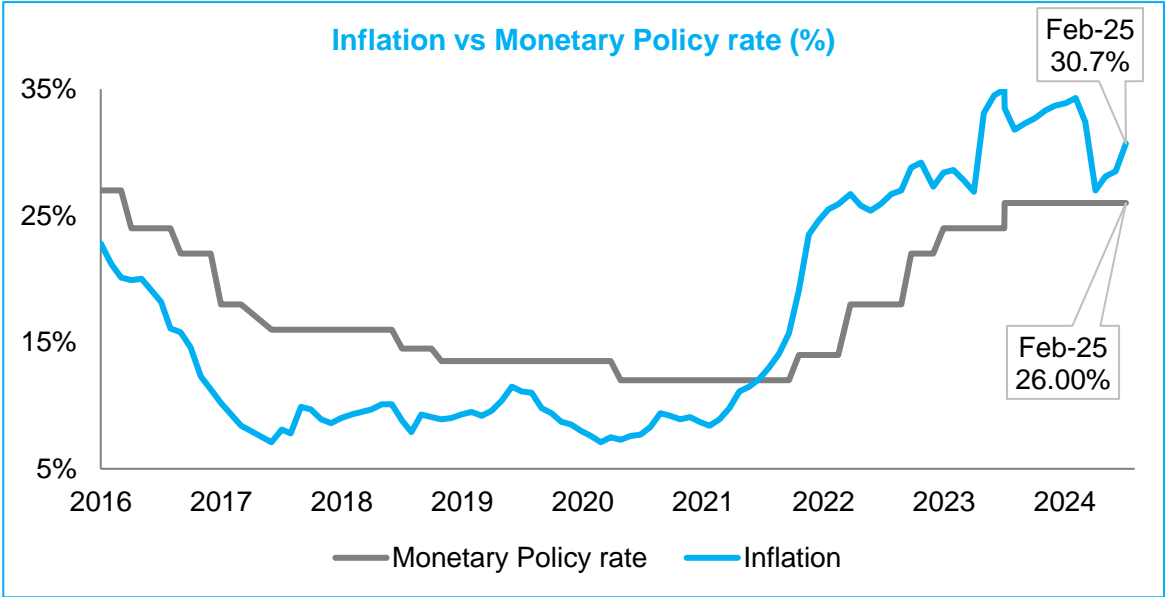
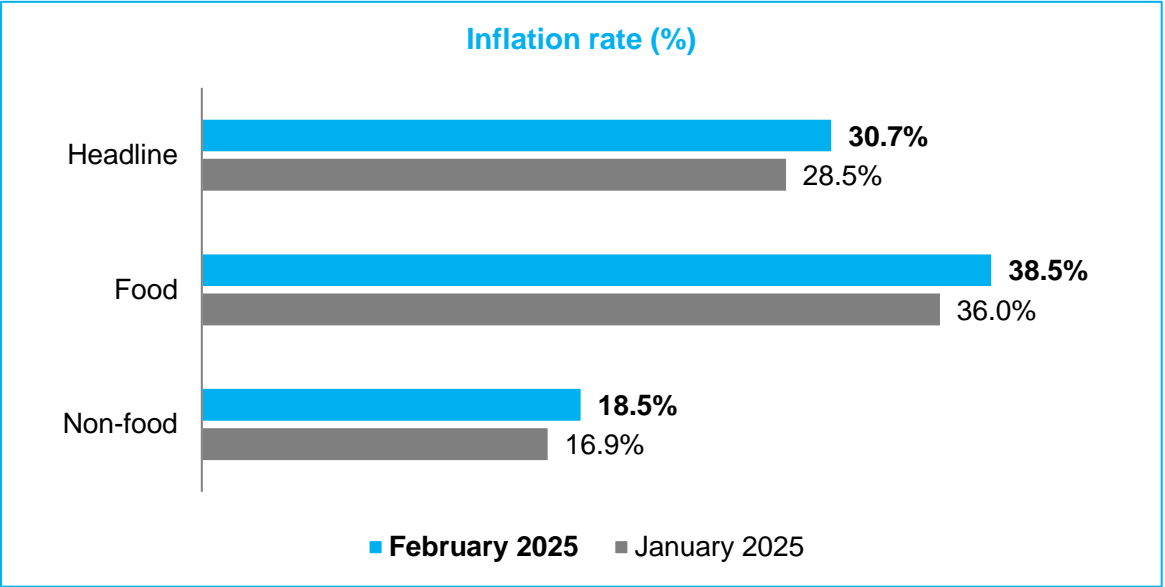
### Monetary Policy (Source: RBM, NBM)

The Monetary Policy Committee (MPC) held its first meeting of 2025 on 29 and 30 January. The Committee decided to maintain the Policy Rate at 26.0%, the Lombard rate at 20 basis points above the policy rate, and the Liquidity Reserve Requirement (LRR) at 10.0% for local currency deposits and 3.75% for foreign currency deposits.

The decision was based on the slowdown in overall inflation in the fourth quarter of 2024. However, food inflation rose in December due to maize shortages. The committee expected inflation to keep falling, reaching 22.0% by the end of 2025, aided by favorable base effects and a cautious monetary policy. While lower inflation rates would allow for interest rate cuts, the committee warned that increasing food prices, external imbalances, and fiscal pressures could threaten the projected disinflation trend.

The next MPC meeting is scheduled for 6 and 7 May 2025. The decision on the Policy Rate, the Lombard rate and the LRR from the meeting will be announced on 7 May 2025.

The commercial bank reference rate for April 2025, effective 3 April 2025, is 25.1%, unchanged from the March 2025 reference rate of 25.1%







## Economic Overview (Continued)

### Foreign Currency Market and Foreign Exchange Reserve Position (Source: RBM)

*Based on closing middle rates, the Malawi Kwacha was stable as it traded at MK1,750.25/USD as of 31 March 2025 from MK1,749.65/USD as of 28 February 2025.*

*As of 31 January 2025, the country's total foreign exchange reserves increased by 7.5% to USD570.60 million from USD530.90 million in December 2024.*

#### Foreign Currency Market

Based on the closing middle rates, the Malawi Kwacha was stable as it traded at MK1,750.25/USD as of 31 March 2025 from MK1,749.65/USD as of 28 February 2025. During the same period last year, the Malawi Kwacha depreciated by 3.1%, trading at MK1,750.38/USD as of March 2024 from MK1,698.50/USD as of February 2024.

The Reserve Bank of Malawi (RBM) held a foreign exchange auction on 6 March 2025, raising the sum of USD150,000. The RBM disclosed that based on the results of the auctions, the market selling price of the US dollar shall remain at MK1,751.00/USD.

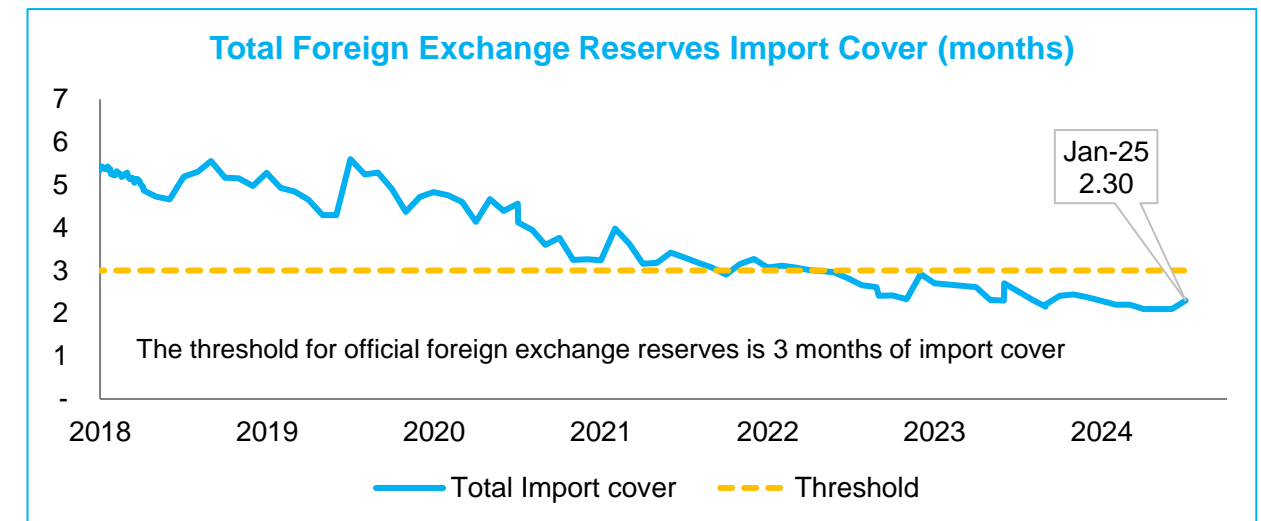
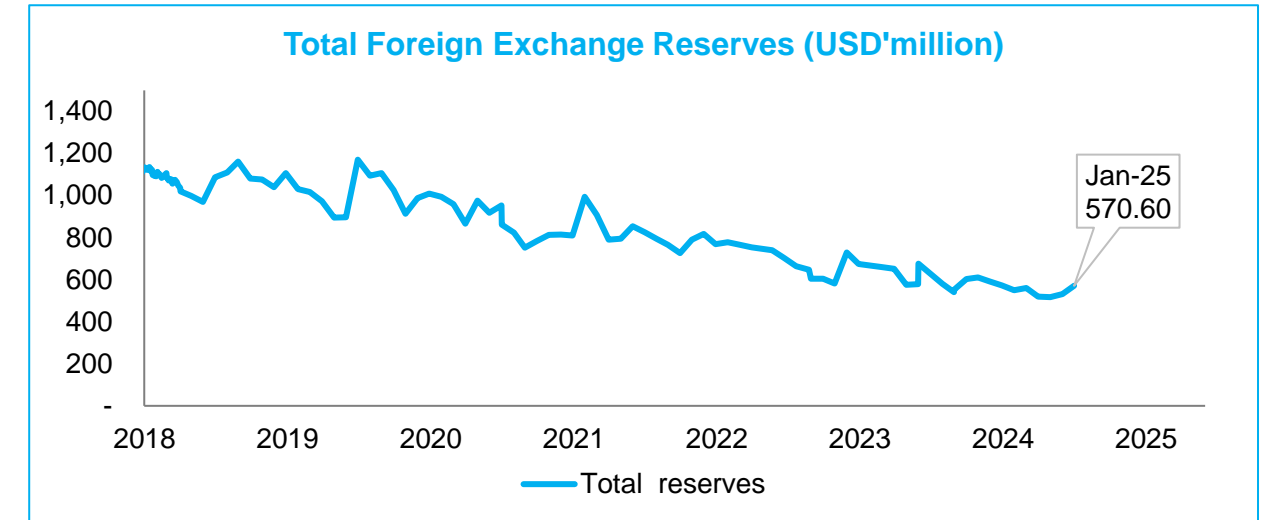
#### Foreign Exchange Reserves Position

As of 31 January 2025, the country's total foreign exchange reserves increased by 7.5% to USD570.60 million from USD530.90 million in December 2024. The import cover improved to 2.3 months from 2.1 months during the period under review. During the same period in the previous year, the total foreign exchange reserves were at USD576.70 million, which translated to 2.3 months of import cover

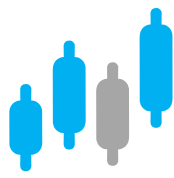
The RBM announced amendments to the Exchange Control Regulations. The amendments include:

- The reduction of the mandatory conversion ratio on export proceeds to 25% from 30%, and the exemption of manufacturers and other qualifying exporters from mandatory conversion of export proceeds upon meeting the assessment criteria set by the RBM.
- Conversion of non-governmental organizations (NGOs) and public bodies' foreign funds upon usage, not at receipt, with a lowered conversion rate from 70% to 50% for NGO's. Treatment of funds for university research projects as NGO funds, and removal of the requirement to convert holding foreign currency-denominated accounts balances after the expiry of eight months.
- Shift of licensing tenure for banks, tourist operators, and foreign exchange bureaus to one year. All current licenses expire on 30 June 2025, with new licenses effective from 1 July 2025 under new legislation.
- Introduction of Bank Telegraphic Transfer (TT) verification requirement for importers to demonstrate that their imports have been financed through the formal banking channel.

These changes will take effect once legislative processes are finalized and published in the Government Gazette.



|                               | January 2025 | December 2024 | Month-on-month change (%) |
|-------------------------------|--------------|---------------|---------------------------|
| Total Reserves (USD'millions) | 570.6        | 530.9         | 7.5%                      |
| Total import cover (months)   | 2.3          | 2.1           | 9.5%                      |



## Economic Overview (Continued)

### Stock Market (Source: MSE)

The stock market was bullish in March 2025, with the MASI rising to 291,644.54 points from 283,722.24 points in February 2025.

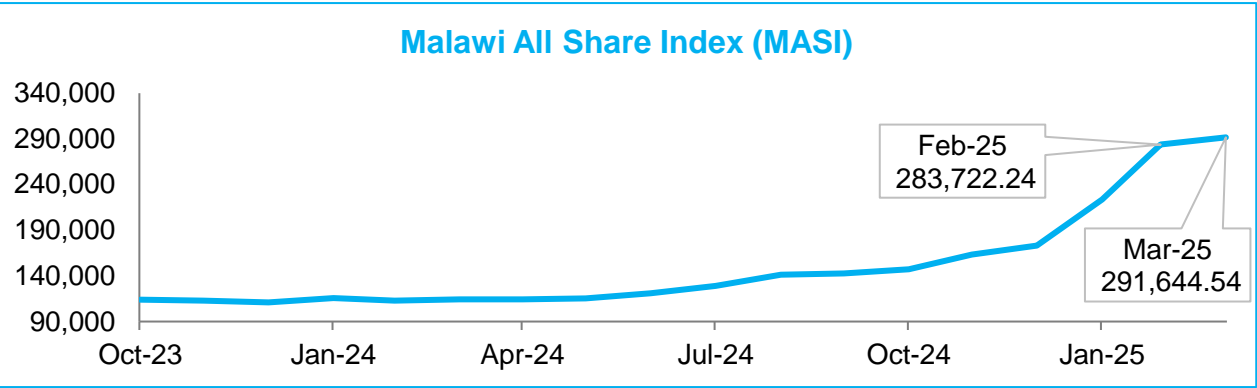
The MASI year-to-date return was 69.52% in March 2025.

The value of shares traded on the Malawi Stock Exchange (MSE) in March 2025 totaled MK16.72 billion, and NBM had the highest value of shares traded at MK3.8 billion.

The stock market was bullish in March 2025, with the Malawi All Share Index (MASI) rising by 2.76% to 291,644.54 points from 283,722.24 points in February 2025. The MASI recorded a year-to-date return of 69.52% in March 2025. In March 2024, the year-to-date return was 2.96%.

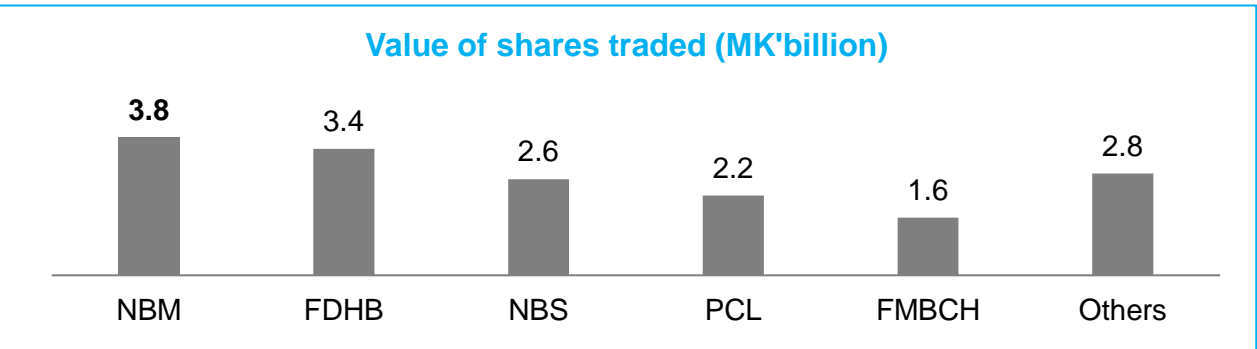
ILLOVO recorded the highest share price gain, surging by 32.21% to MK1,791.64 in March 2025 from MK1,355.13 in February 2025. Other notable gainers included PCL and STANDARD, with AIRTEL, NITL, SUNBIRD, FDHB, and NBM recording marginal share price increases.

There were share price losses for TNM, NICO, and FMBCH. There were marginal share price losses for NBS, ICON, and MPICO during the period under review.

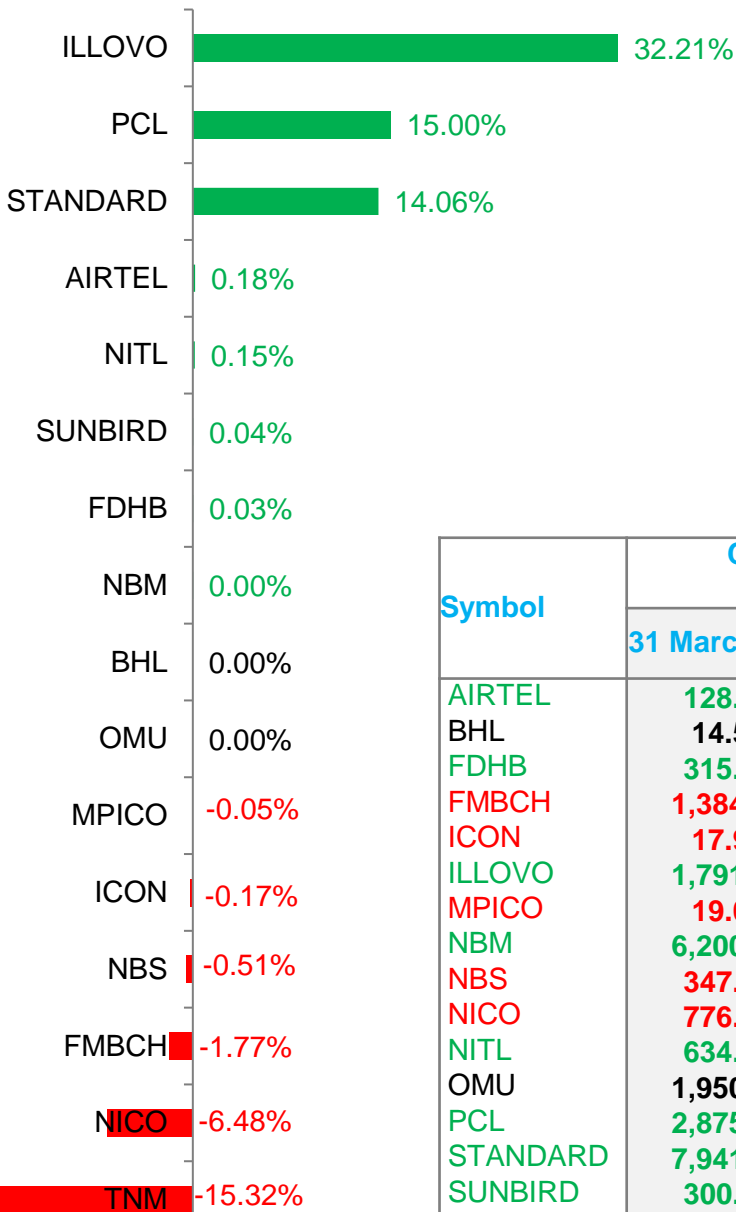


### Malawi Stock Exchange (MSE) Traded Values

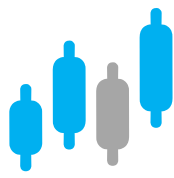
The number of trades on the MSE decreased by 16.9% to 3,106 in March 2025 from 3,737 in February 2025. However, the value of shares traded increased by 21.9% to MK16.33 billion in March 2025, from the MK13.40 billion recorded in February 2025. NBM had the highest value of shares traded at MK3.8 billion in March 2025.



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



| Symbol   | Closing prices (MK/share) |                  |
|----------|---------------------------|------------------|
|          | 31 March 2025             | 28 February 2025 |
| AIRTEL   | 128.24                    | 128.01           |
| BHL      | 14.55                     | 14.55            |
| FDHB     | 315.19                    | 315.08           |
| FMBCH    | 1,384.50                  | 1,409.47         |
| ICON     | 17.95                     | 17.98            |
| ILLOVO   | 1,791.64                  | 1,355.13         |
| MPICO    | 19.00                     | 19.01            |
| NBM      | 6,200.10                  | 6,200.01         |
| NBS      | 347.97                    | 349.77           |
| NICO     | 776.87                    | 830.68           |
| NITL     | 634.98                    | 634.02           |
| OMU      | 1,950.03                  | 1,950.03         |
| PCL      | 2,875.01                  | 2,500.02         |
| STANDARD | 7,941.08                  | 6,962.21         |
| SUNBIRD  | 300.14                    | 300.03           |
| TNM      | 24.93                     | 29.44            |



## Economic Overview (Continued)

### Stock Market (Source: MSE)

#### Corporate Announcements

##### Published Trading Statement

In compliance with the listing requirements of the Malawi Stock Exchange (MSE), a listed company is required to publish a trading statement as soon as there is a reasonable degree of certainty that the financial results for the period to be reported upon will differ by at least 20% from the financial results for the previous corresponding period. Below are the latest trading statement data. All figures are in MK billion unless otherwise specified.

| Counter             | 31 December 2024 | 31 December 2023 | Trading statement profit/loss expectation |
|---------------------|------------------|------------------|---|
| AIRTEL              | 41.8 - 43.5      | (15.4)           | 371% - 383%                               |
| BHL                 | (1.2) - (1.4)    | (0.8)            | 57% - 71%                                 |
| FMBCH (USD'million) | 93.7 - 102.7     | 78.7             | 20% - 30%                                 |
| ICON                | 22.0 - 25.0      | 19.2             | 15% - 30%                                 |
| ILLOVO*             | 25.3 - 28.7      | 22.4             | 13% - 28%                                 |
| MPICO               | 11.4 - 12.8      | 7.1              | 61% - 81%                                 |
| NBS                 | 72.5 - 73.0      | 29.4             | 147% - 148%                               |
| NICO                | 133.0 - 136.0    | 59.1             | 125% - 131%                               |
| PCL                 | 125.1 - 129.1    | 75.1             | 67% - 72%                                 |
| SUNBIRD             | 10.7 - 11.8      | 5.3              | 102% - 122%                               |
| TNM                 | 9.4 - 10.3       | (4.8)            | 297% - 317%                               |

\* - Figures for Illovo are for the six-month period ending 28 February

##### Published Financials

The following companies listed on the MSE have released their audited financial results for the year ended 31 December 2024. All figures are in MK'billion unless otherwise specified

| Counter           | Profit/(loss) for the year ended 31 December 2024 | Profit/(loss) for the year ended 31 December 2023 | Change (%) |
|-------------------|---|---|------------|
| FDHB              | 74.1  | 35.6  | 108        |
| NBM               | 101.7   | 72.0  | 41         |
| NITL              | 29.8  | 21.5  | 38         |
| OMU (ZAR'billion) | 8.4   | 7.6   | 10         |
| STANDARD          | 86.4  | 52.5  | 64         |

AIRTEL, BHL, NBS, NICO, PCL, and TNM issued revised trading statements in March 2025.

NBS Bank Plc Board appointed Mrs Temwani Simwaka as the new Chief Executive Officer (CEO), effective 1 April 2025.

#### Dividend Announcements

| Counter  | Dividend type | Proposed/Declared | Dividend per share (MK) | Last day to register | Payment date  |
|----------|---------------|-------------------|-------------------------|----------------------|---------------|
| STANDARD | 2nd interim   | Declared          | 70.31                   | 28 March 2025        | 4 April 2025  |
| OMU      | Final         | Declared          | 48.79                   | 11 April 2025        | 14 April 2025 |
| NITL     | 2nd interim   | Declared          | 4.30                    | 11 April 2025        | 17 April 2025 |
| NICO     | 3rd interim   | Declared          | 10.00                   | 17 April 2025        | 25 April 2025 |
| NBM      | 2nd interim   | Declared          | 37.26                   | 17 April 2025        | 30 April 2025 |
| STANDARD | Final         | Proposed          | 70.31                   | TBA                  | TBA           |
| FDH      | Final         | Proposed          | 0.66                    | TBA                  | TBA           |
| NITL     | Final         | Proposed          | 4.30                    | TBA                  | TBA           |
| NBM      | Final         | Proposed          | 61.25                   | TBA                  | TBA           |

TBA - to be announced

#### Other Announcements

- NBS Bank Plc Board appointed Mrs Temwani Simwaka as the new Chief Executive Officer (CEO), effective 1 April 2025.
- FDH Bank Plc's negotiations on the acquisition of a controlling stake in a bank within the African region are still underway. The outcome of the negotiations may affect the share price of FDH Bank Plc, and Shareholders are advised to exercise caution and consult their professional advisors when dealing in the shares of the Company until such time as the result of the negotiations is known.
- Press Corporation Plc's exclusive negotiations for the potential sale of its entire shareholding interest in Malawi Telecommunications Limited (MTL) are still ongoing. The outcome of these negotiations may affect PCL's share price, and Shareholders are therefore advised to exercise caution and consult their professional advisors before dealing in their shares in PCL until a full announcement is made on the outcome of the negotiations.
- FMB Capital Holdings Plc will hold a Special Meeting virtually on Friday, 23 May 2025, from 14:00 Central African Time. The special business to be transacted at the meeting will be the revocation of the Company's current Constitution and adoption of a new Constitution as a special resolution, pursuant to section 42(3) and 44 of the Companies Act 2001.



# Economic Overview (Continued)

## Fiscal Policy and Government securities

### Fiscal Policy (Source: RBM, Various published media)

On 26 March 2025, the Parliament approved an increase in the 2025/26 National Budget, raising total spending to MK8.07 trillion from the MK8.05 trillion proposed on 28 February 2025.

The central government experienced a fiscal deficit of MK6.7 billion in January 2025.

The government awarded MK551.72 billion through Treasury Bill (TB) and Treasury Note (TN) auctions in March 2025, a 1.4% increase from the MK544.25 billion awarded in February 2025.

On 26 March 2025, the Parliament approved an increase in the 2025/26 National Budget, raising total spending by MK20 billion to MK8.07 trillion from the MK8.05 trillion proposed on 28 February 2025. Several areas received additional allocations amounting to MK52.2 billion. The Secretary to the Treasury said that the financing gap will be addressed by government borrowing, primarily to support capital expenditures.

According to the RBM's monthly economic review, in January 2025, the central government experienced a fiscal deficit of MK6.7 billion, with total revenues amounting to MK515.6 billion and expenditures reaching MK522.3 billion. This marked an improvement from the deficit of MK244.0 billion recorded in December 2024 but reflects a decline from a surplus of MK21.6 billion recorded in January 2024.

### Government Securities (Source: RBM)

The government sought to borrow MK211.00 billion through Treasury Bill (TB) and Treasury Note (TN) auctions in March 2025. This is 5.2% higher than the MK200.61 billion sought in February 2025.

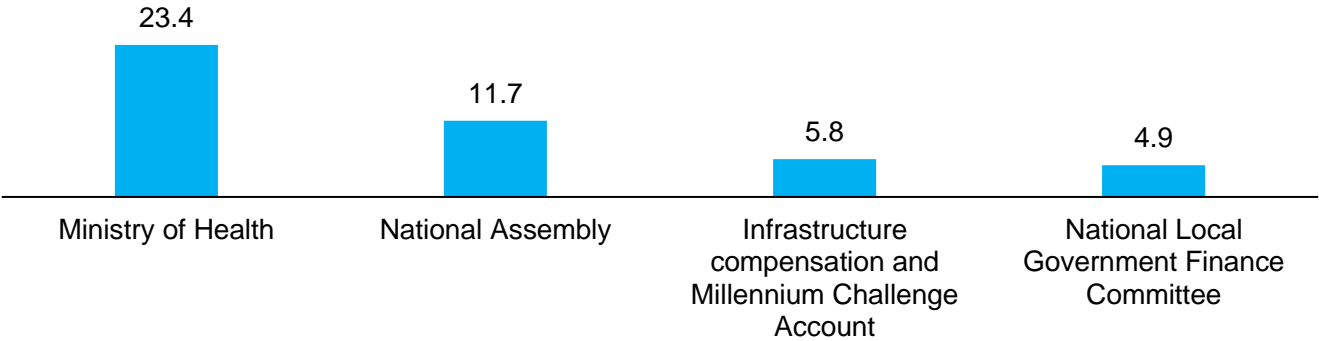
Overall, participants applied for MK551.72 billion, which was all awarded, representing a 1.4% increase from the MK544.25 awarded in February 2025. The graphs on the right show the breakdown between TBs and TNs in March 2025 compared to February 2025. In March 2025, all the TB and TN auctions had a nil rejection rate.

### Government Securities Yield Curve

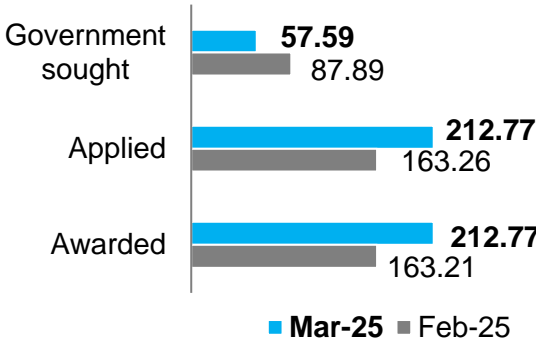
As of 31 March 2025, the 91, 182, and 364-day TB yields remained at 16.00%, 20.00%, and 26.00%, respectively. The average TB yield was 20.67%, unchanged from the average yield of 20.67% as of 31 March 2024.

Similarly, the 2, 3, 5, 7, and 10-year TN yields remained at 28.75%, 30.00%, 32.00%, 34.00%, and 35.00%, respectively. The average TN yield was 31.95%, unchanged from the average yield of 31.95% as of 31 March 2024.

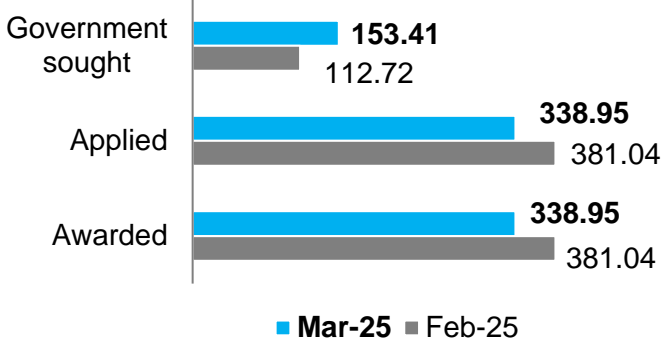
### Supplementary 2025/26 budget allocations (MK'billion)



### Treasury Bills (MK'billion)



### Treasury Notes (MK'billion)



### Government securities yield curve







## Market Developments

### commodities market and other developments

*The retail maize price increased by 32% to MK1,718/kg (MK85,900 per 50 kg bag) in February 2025 from MK1,304/kg (MK65,200 per 50 kg bag) in January 2025.*

*The 2025 tobacco market season is set to open on 9 April 2025.*

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

The monthly maize market report by the International Food Policy Research Institute (IFPRI) showed that prices increased by 32% to MK1,718/kg (MK85,900 per 50kg bag) in February 2025 from MK1,304/kg (MK65,200 per 50kg bag) in January 2025. The rise was primarily driven by limited domestic supply, leading Malawi to rely heavily on maize imports. IFPRI indicated that the continued depreciation of the Malawian Kwacha in the informal forex market and the transport and operational expenses for traders continue to intensify price pressure. The retail maize price has increased by 122.8% year-on-year from MK771/kg (MK38,550 per 50kg bag) in February 2024.

#### Local Mining Industry Developments (Lotus Resources)

Lotus Resources signed a binding uranium offtake agreement with a large North American power utility for the sale of 600,000 pounds (lbs) of Kayerekera uranium from 2026 to 2029. A separate agreement with Curzon secures an additional 700,000 lbs of uranium, with the potential for up to 1 million lbs by 2032. Lotus now has sales arrangements for up to 3.2 million lbs of uranium to be produced from Kayerekera.

#### Tobacco Market (Source: Published Media)

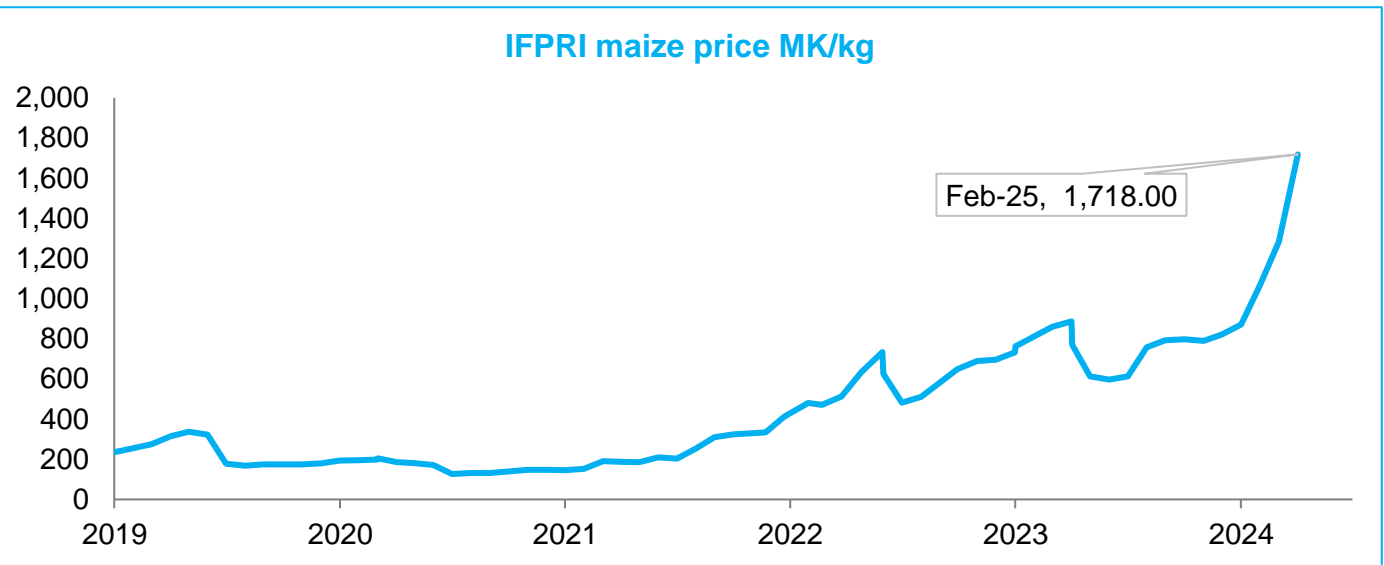
The Tobacco Commission (TC) set 9 April 2025 as the commencement date for the 2025 tobacco market season. Lilongwe Auction Floors will open first, followed by Chinkhoma Floors (Kasungu) on 11 April, Limbe Auction Floors on 14 April, and Mzuzu Auction Floors on 28 April.

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

The monthly average OPEC reference basket price decreased by 3.7% month-on-month to USD74.00/barrel in March 2025 from USD76.81/barrel in February 2025 and declined by 12.1% year-on-year from USD84.22/barrel in March 2024. Total world oil demand is anticipated to average 105.2 mb/d in 2025.

#### Energy (Source: Published Media)

Aspin Energy Limited is investing USD210 million in developing a 142-megawatt natural gas power plant to generate electricity in the country. The power plant is expected to start operating in March 2026. The company also plans to develop another gas power plant with a capacity of 158 megawatts in 2 years.



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

|                           | Annual Averages |          |          | Monthly Averages |               |            |
|---------------------------|-----------------|----------|----------|------------------|---------------|------------|
|                           | 2022            | 2023     | 2024     | January 2025     | February 2025 | March 2025 |
| Produce (USD/mt)          |                 |          |          |                  |               |            |
| Soybeans                  | 675             | 598      | 462      | 411              | 412           | 401        |
| Maize                     | 318.8           | 252.7    | 190.6    | 214.4            | 220.9         | 207.4      |
| Sugar & Tea (USD/Kg)      |                 |          |          |                  |               |            |
| Sugar - World             | 0.4             | 0.5      | 0.5      | 0.4              | 0.4           | 0.4        |
| Tea - average             | 3.1             | 2.7      | 3        | 2.8              | 2.7           | 2.7        |
| Fertilizers (USD/mt)      |                 |          |          |                  |               |            |
| DAP                       | 772.2           | 550      | 563.7    | 582.7            | 603.8         | 615.1      |
| Phosphate rock            | 266.2           | 321.7    | 321.7    | 152.5            | 152.5         | 152.5      |
| Potassium chloride        | 863.4           | 383.2    | 295.1    | 302              | 318.8         | 336.3      |
| TSP                       | 716.1           | 480.2    | 474.6    | 478              | 480.6         | 478.5      |
| Urea, E. Europe           | 700             | 358      | 338.3    | 380.5            | 436.5         | 394.5      |
| Precious Metals (USD/toz) |                 |          |          |                  |               |            |
| Gold                      | 1,801.00        | 1,943.00 | 2,388.00 | 2,710.00         | 2,895.00      | 2,983.00   |

Source: World Bank Commodities Price Data (The Pink Sheet), April 2025

# An Overview of the Economic Report on Africa 2025 by the United Nations Economic Commission for Africa

March 2025





# An Overview of the Economic Report on Africa 2025

According to the United Nations Economic Commission for Africa (UNECA), the African Continental Free Trade Area (AfCFTA) provides a game-changing framework to boost trade-led growth, unlock regional value chains, boost competitiveness, and ensure that Africa transitions from being a supplier of raw materials to a producer of high-value goods and services.

## Introduction

Africa is at a critical juncture in its development journey. With a young population, abundant natural resources, and growing consumer markets, it can play a key role in the global economy. Africa is well-positioned as a key strategic region amid a global shift to geographically diversified supply chains, and it can leverage this for trade, stronger integration in global value chains (GVCs), and sustainable growth.

According to the United Nations Economic Commission for Africa (UNECA), the African Continental Free Trade Area (AfCFTA) provides a game-changing framework to boost trade-led growth, unlock regional value chains, boost competitiveness, and ensure that Africa transitions from being a supplier of raw materials to a producer of high-value goods and services. As a flagship project of the African Union Commission, it provides an Africa-driven roadmap for sustainable and inclusive development on the continent.

## Recent Economic and Social Developments in Africa in the Context of AfCFTA Implementation

After bottoming out at 2.6% in 2023 and estimated to have reached 2.9% in 2024, Africa’s growth is expected to gradually recover to 3.8% in 2025 and 4.1% in 2026, on the back of increased private consumption and improved trade performance. However, this growth is below the level needed to improve people’s living standards and reach the Sustainable Development Goals (SDGs).

Risks to Africa’s growth are heavily tilted to the downside, due to global economic tensions and fragmentation, including risks of an escalated US-China trade war, transnational, regional, and domestic conflict. Africa is also disproportionately affected by the impacts of climate change, facing more frequent and intense climate shocks, with an annual financial burden estimated between USD7 billion and USD15 billion, a figure projected to rise dramatically, potentially reaching USD50 billion a year by 2030.

African countries have faced significant fiscal challenges in the post–COVID–19 period while trying to balance high public debt, elevated interest rates, and increasing public spending needs. Concerns over a looming debt crisis remain, and the rapidly growing debt-servicing burden is increasingly crowding out resources for essential public services and investments.

The share of Africans in extreme poverty (at the international poverty line of USD2.15 per day) has been gradually declining. But the number of people living in poverty has increased to an estimated 468 million in 2024 from 285 million in 1990. Unsurprisingly, much of this extreme poverty is in the least developed countries, driven by conflicts, droughts, floods, and other crises.

According to UNECA, the accelerated implementation of the AfCFTA has the potential, over the medium term, to support growth, create jobs, improve food security, and promote industrial development through diversification and regional value chains (RVCs).

## The African Continental Free Trade Area (AfCFTA): An Overview

The global economy is in a state of flux. Geopolitical tensions, high debt, the rise of nationalism, and climate challenges are all creating great uncertainty about the future trajectory of the global economy. Despite growing global uncertainty, Africa can benefit from the new global trade landscape, characterized by fragmentation, regionalism, and outsourcing business operations to nearby countries, as it incentivizes the continent to pursue deeper regional integration. The adverse and uncertain external environment presents not only an opportunity but also an imperative for Africa to double down on its economic diversification and structural transformation efforts. This would further enhance intra-African trade and connect Africa to the global economy.

The AfCFTA is the world’s largest free trade area in terms of the number of member states and the scope. As of January 2025, all except one African country had signed the agreement, with Eritrea as the only exception. The AfCFTA agreement entered into force on 30 May 2019; however, trading under the AfCFTA rules did not begin until 1 January 2021. Below is the schedule of liberalization of trade in goods under the AfCFTA

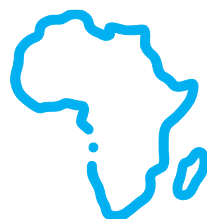
| Products/countries  | LDCs*                             | Non-LDCs                         |
|---------------------|-----------------------------------|----------------------------------|
| Full liberalization | 90% of tariff lines<br>(10 years) | 90% of tariff lines<br>(5 years) |
| Sensitive products  | 7% of tariff lines<br>(13 years)  | 7% of tariff lines<br>(10 years) |
| Excluded products   | 3% of tariff lines                | 3% of tariff lines               |

\*LDC - Least developing countries

In practical terms, by 2033 (13 years from the date of entry into force of the AfCFTA agreement), trade in 97% of all goods originating in Africa should be traded across borders free of any customs duties or other charges having equivalent effect. Respecting the tariff reduction schedules will be of fundamental importance in operationalizing the AfCFTA, and there will be a need for member states to play catch-up.

The five operational instruments created under the AfCFTA to adjust to the new liberalized and integrated trading environment established under the agreement include the E-Tariff book, Rules of Origin (RoO) manual, a mechanism to eliminate non-tariff barriers, the Pan-African Payments and Settlement System, and the African Trade Observatory Platform.





*The AfCFTA is expected to raise Africa's GDP by 1.2% and welfare by 0.9% in 2045.*

*The AfCFTA has the potential to increase intra-African trade by 45% in 2045, with significant gains in manufacturing, agro-processing, and services.*

Significant progress has been made in the implementation process of the AfCFTA with the launch of the Guided Trade Initiative (GTI) in October 2022. Some of the key lessons learnt are that the existence and functioning of a national AfCFTA institutional mechanism is essential to coordinate stakeholder participation in trade under the AfCFTA, such as national implementation committees. Regulatory bodies such as standards bodies, customs authorities, and other agencies involved in trade facilitation need to cooperate and coordinate their activities to minimize cross-border delays. Private sector engagement in the AfCFTA implementation must be strengthened through dedicated and intensive awareness and capacity-building programs.

**AfCFTA Promises for Africa’s Inclusive and Sustainable Development: Empirical Evidence**

AfCFTA implementation is set to stimulate Africa’s main macroeconomic aggregates, but not overwhelmingly. The results in the table below show that with the full implementation of the AfCFTA, by 2045, Africa’s GDP, output, trade, and welfare will all be higher when compared to a baseline without the AfCFTA.

|         | Difference |             |
|---------|------------|-------------|
|         | %          | USD'billion |
| GDP     | 1.2        | 140.6       |
| Output  | 0.5        | 104.4       |
| Exports | 7.3        | 245.7       |
| Imports | 6.9        | 244.4       |
| Welfare | 0.9        | 9.0         |

The most impressive expected macroeconomic benefits from the implementation of the AfCFTA agreement, considering just tariff and nontariff barrier reductions within the continent, would be for intra-African trade, as shown in the table below.

|  | Difference |              |
|--|------------|--------------|
|  | %          | USD'billion  |
| Agrifood                                     | 60         | 58.6         |
| Industry                                     | 48         | 165.6        |
| Services                                     | 34         | 4.9          |
| Enery and mining                             | 28         | 46.6         |
| <b>Overall intra-African trade (Exports)</b> | <b>45</b>  | <b>275.7</b> |

This attests to the potential of the AfCFTA to help African countries move away from the production and exportation of commodities made up with relatively low value-addition into more industrial products as well as processed foods and services. .

Developing regional value chains (RVCs) is required for AfCFTA implementation to have a transformative impact. Findings from UNECA’s analysis show that the greatest potential for RVCs’ development in AfCFTA context is expected mostly in agrifood and industrial sectors (such as automotive, pharma and chemicals, wood and paper, metals, and other manufactured products) as well as a few services sectors (such as health and tourism).

AfCFTA implementation has the potential to accelerate Africa’s transition to renewable energy sources, with an estimated USD22.4 billion of cumulative investments required in electricity generation, transmission, and distribution infrastructure between 2025 and 2040, with around 80% of the total investments towards renewable energy sources.

**Realizing and Capitalizing on the Transformative Potential of the AfCFTA**

Implementing the Boosting Intra-African Trade (BIAT) action plan is crucial for overcoming barriers to intra-African trade and maximizing the benefits of the AfCFTA. Integrating BIAT into national and regional development plans – while engaging the private sector, prioritizing investments in both physical and digital infrastructure, and embracing digital technologies – will enhance trade efficiency and connectivity.

Developing hard and soft infrastructure and regulatory harmonization is critical for the success of the AfCFTA. Africa needs an investment of USD120.83 billion in equipment by 2030 to support the AfCFTA and avoid delays in economic integration and missed trade benefits. Investing in transport, energy, quality infrastructure, and digital connectivity, and streamlining regulations will improve market access, enhance trade, and foster innovation, ultimately driving economic growth and development. In addition, leveraging urbanization and focusing on education and job creation can transform the continent’s demographic dividend into economic prosperity.

The AfCFTA can potentially drive transformative development across Africa by addressing critical challenges such as decent job creation, food insecurity, health concerns, energy transition, irregular migration, and peace and security. By facilitating trade in agricultural products, healthcare, and renewable energy, and promoting regional cooperation, the AfCFTA can enhance agricultural productivity, improve access to medicines, and support sustainable energy initiatives. To realize these benefits, strategic investments in infrastructure, harmonization of policies, and a focus on inclusive growth are essential for fostering economic cooperation and stability across the continent.





## An Overview of the Economic Report on Africa 2025 (continued)

*The realization of the AfCFTA's exciting promises hinges on the effective implementation of the agreement. Central to this is the agreement's domestication, which demands robust leadership, inclusive public-private partnerships, and coherent policy frameworks.*

### Bridging the Gaps for Successful AfCFTA Implementation: Urgent Imperatives

Full implementation of the AfCFTA agreement requires that State Parties reform their laws and institutions in accordance with the requirements of the agreement. Given the binding nature of the agreement, State Parties need to carry out a comprehensive review of their domestic policies, laws, and administrative practices, identify gaps, and take appropriate measures to ensure conformity of national laws with AfCFTA requirements. For this purpose, the AfCFTA Secretariat and regional economic communities (RECs), in collaboration with development partners, need to provide technical assistance to State Parties and coordinate the latter's reform activities. Only then can the AfCFTA agreement be fully implemented and deliver on its promises to boost intra-African trade and investment and transform Africa.

The realization of the AfCFTA's exciting promises hinges on one critical factor: effective implementation of the agreement. Central to this is the agreement's domestication, which demands robust leadership, inclusive public-private partnerships, and coherent policy frameworks. National AfCFTA Implementation Strategies have been used to help in this process, offering a structured approach and priority actions to overcome constraints, seize opportunities, and build competitive regional value chains. The implementation of complementary initiatives, such as access to trade finance and supply-side capacity development, are prerequisites for the AfCFTA to achieve its potential. Moreover, successful implementation relies on a combination of strong institutional capacity building, consistent removal of non-tariff barriers to trade, significant investments in transport and logistics infrastructure, trade facilitation, and a multifaceted financing strategy that harnesses untapped assets, de-risks investments, and maximizing the potential of African special economic zones and regional value chains to drive sustainable growth.

For the AfCFTA agreement to be fully and inclusively implemented, it is important to sufficiently engage the private sector in general and women and youth in particular. While it is the governments of State Parties that negotiated and signed the agreement, it is mostly businesses from their private sector that will trade and invest under the agreement. So, there is a need to engage the private sector effectively in the AfCFTA implementation process by enhancing businesses' readiness to trade under the AfCFTA and working with the public sector to create environments conducive for intra-African trade and investment, among others. Similarly, women and youth traders and investors need to be engaged and supported to ensure that the challenges they face are continually addressed. This will help them participate in the AfCFTA and benefit from its opportunities, promoting the agreement's goal of achieving sustainable and inclusive development.

### Key Policy Recommendation

The primary purpose of the Economic Report on Africa 2025 is to accelerate the implementation of the agreement establishing the AfCFTA. Accordingly, the report's key recommendations are:

- Governments should prioritize the full implementation of the AfCFTA, including reducing tariffs, eliminating non-tariff barriers, and harmonizing trade policies. This requires strengthening national AfCFTA implementation committees and enhancing private sector engagement.
- Develop robust regional value chains in key sectors such as agro-processing, automotive, pharmaceuticals, and renewable energy. This requires targeted industrial policies, investment in productive capacity, and support for small and medium enterprises (SMEs).
- Integrate climate policies into AfCFTA implementation, including carbon pricing and investments in renewable energy. Africa's transition to renewables, in the AfCFTA context and leaving aside specific climate policies, could require a cumulative USD22.4 billion in investments between 2025 and 2040, with a focus on solar and wind power.
- Streamline customs procedures and adopt digital technologies, such as blockchain and electronic data processing, to reduce trade costs and improve efficiency. Investing in digital infrastructure will include broadband networks, data centers, and internet exchange points to support digital trade and innovation.
- Implement gender-sensitive policies under the AfCFTA, such as promoting women's access to finance, education, and digital skills. This includes addressing barriers to women's participation in cross-border trade and supporting women-led SMEs.
- Harmonize trade policies and regulations across regional economic communities (RECs) to reduce fragmentation and enhance coherence in AfCFTA implementation. Promoting the free movement of people, goods, and capital across borders will be supported by initiatives like the Single African Air Transport Market and the Pan-African Payment and Settlement System.
- Invest in sustainable urban development, including affordable housing, clean water, and sanitation, to manage the challenges of rapid urbanization. Promoting job creation in urban areas, particularly in the services and informal sectors, will harness the demographic dividend and reduce youth unemployment.

# Appendices

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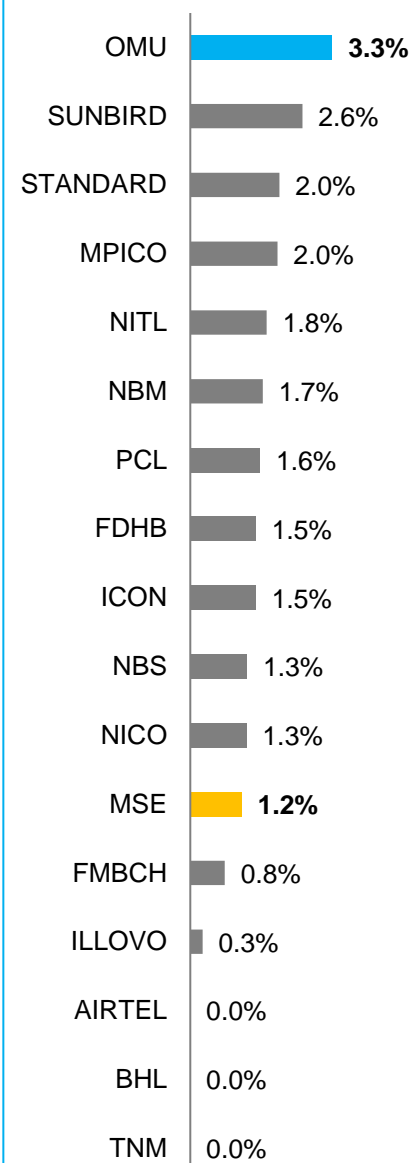


## Appendix 1: Historical Monthly Economic Indicators

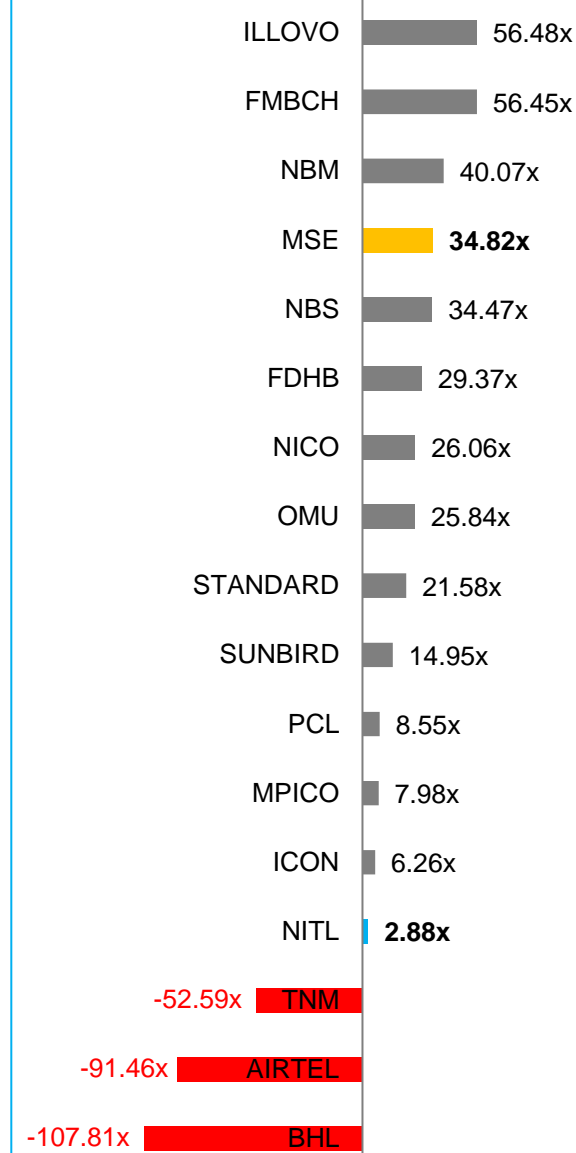
|                                      | Mar-24   | Apr-24   | May-24   | Jun-24   | Jul-24   | Aug-24   | Sep-24   | Oct-24   | Nov-24   | Dec-24   | Jan-25   | Feb-25   | Mar-25          |
|--------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------------|
| Exchange rates (middle rates)        |          |          |          |          |          |          |          |          |          |          |          |          |                 |
| MK/USD                               | 1,750.38 | 1,745.70 | 1,750.76 | 1,749.51 | 1,749.95 | 1,750.31 | 1,750.37 | 1,749.95 | 1,750.11 | 1,749.93 | 1,750.35 | 1,749.65 | <b>1,750.25</b> |
| MK/GBP                               | 2,268.77 | 2,256.81 | 2,285.22 | 2,274.74 | 2,311.11 | 2,368.68 | 2,411.29 | 2,338.28 | 2,290.94 | 2,250.25 | 2,233.84 | 2,268.53 | <b>2,329.61</b> |
| MK/EUR                               | 1,949.34 | 1,922.25 | 1,951.14 | 1,922.54 | 1,947.33 | 1,994.06 | 2,003.14 | 1,953.49 | 1,904.40 | 1,869.77 | 1,866.83 | 1,873.26 | <b>1,945.35</b> |
| MK/ZAR                               | 94.64    | 95.4     | 95.89    | 96.89    | 97.91    | 101.09   | 105.69   | 101.15   | 99.29    | 95.89    | 97.11    | 97.04    | <b>98.15</b>    |
| Foreign Exchange Reserves            |          |          |          |          |          |          |          |          |          |          |          |          |                 |
| Total reserves (USD'mn)              | 545.7    | 595.7    | 591.4    | 584.7    | 565.3    | 544.8    | 560.3    | 519.0    | 516.9    | 530.9    | 570.6    | N/A      | N/A             |
| Total Reserves Import cover (months) | 2.2      | 2.4      | 2.4      | 2.3      | 2.3      | 2.2      | 2.2      | 2.1      | 2.1      | 2.1      | 2.3      | N/A      | N/A             |
| Inflation                            |          |          |          |          |          |          |          |          |          |          |          |          |                 |
| Headline                             | 31.80%   | 32.30%   | 32.70%   | 33.30%   | 33.70%   | 33.90%   | 34.30%   | 32.40%   | 27.00%   | 28.10%   | 28.50%   | N/A      | N/A             |
| Food                                 | 38.80%   | 39.90%   | 40.70%   | 41.50%   | 41.90%   | 42.00%   | 43.50%   | 40.30%   | 33.70%   | 35.60%   | 36.00%   | N/A      | N/A             |
| Non-food                             | 22.20%   | 22.40%   | 22.10%   | 22.20%   | 22.40%   | 22.70%   | 21.80%   | 21.20%   | 17.20%   | 16.80%   | 16.90%   | N/A      | N/A             |
| Interest Rates                       |          |          |          |          |          |          |          |          |          |          |          |          |                 |
| Monetary Policy Rate                 | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | <b>26.00%</b>   |
| Average Interbank Rate               | 22.22%   | 22.54%   | 23.39%   | 24.17%   | 24.20%   | 24.37%   | 24.20%   | 24.20%   | 23.29%   | 23.20%   | 23.19%   | 23.20%   | <b>23.20%</b>   |
| Lombard Rate                         | 26.20%   | 26.20%   | 26.20%   | 26.20%   | 26.20%   | 26.20%   | 26.20%   | 26.20%   | 26.20%   | 26.20%   | 26.20%   | 26.20%   | <b>26.20%</b>   |
| Commercial Bank Reference Rate       | 24.90%   | 24.90%   | 25.00%   | 25.10%   | 25.40%   | 25.40%   | 25.40%   | 25.40%   | 25.50%   | 25.30%   | 25.20%   | 25.10%   | <b>25.10%</b>   |
| Government Securities Yields         |          |          |          |          |          |          |          |          |          |          |          |          |                 |
| 91-days Treasury Bill                | 16.00%   | 16.00%   | 16.00%   | 16.00%   | 16.00%   | 16.00%   | 16.00%   | 16.00%   | 16.00%   | 16.00%   | 16.00%   | 16.00%   | <b>16.00%</b>   |
| 182-days Treasury Bill               | 20.00%   | 20.00%   | 20.00%   | 20.00%   | 20.00%   | 20.00%   | 20.00%   | 20.00%   | 20.00%   | 20.00%   | 20.00%   | 20.00%   | <b>20.00%</b>   |
| 364-days Treasury Bill               | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | <b>26.00%</b>   |
| 2-year Treasury Note                 | 28.75%   | 28.75%   | 28.75%   | 28.75%   | 28.75%   | 28.75%   | 28.75%   | 28.75%   | 28.75%   | 28.75%   | 28.75%   | 28.75%   | <b>28.75%</b>   |
| 3-year Treasury Note                 | 30.00%   | 30.00%   | 30.00%   | 30.00%   | 30.00%   | 30.00%   | 30.00%   | 30.00%   | 30.00%   | 30.00%   | 30.00%   | 30.00%   | <b>30.00%</b>   |
| 5-year Treasury Note                 | 32.00%   | 32.00%   | 32.00%   | 32.00%   | 32.00%   | 32.00%   | 32.00%   | 32.00%   | 32.00%   | 32.00%   | 32.00%   | 32.00%   | <b>32.00%</b>   |
| 7-year Treasury Note                 | 34.00%   | 34.00%   | 34.00%   | 34.00%   | 34.00%   | 34.00%   | 34.00%   | 34.00%   | 34.00%   | 34.00%   | 34.00%   | 34.00%   | <b>34.00%</b>   |
| 10-year Treasury Note                | 35.00%   | 35.00%   | 35.00%   | 35.00%   | 35.00%   | 35.00%   | 35.00%   | 35.00%   | 35.00%   | 35.00%   | 35.00%   | 35.00%   | <b>35.00%</b>   |
| Year-to-date Return                  |          |          |          |          |          |          |          |          |          |          |          |          |                 |
| MASI                                 | 2.96%    | 2.95%    | 4.03%    | 9.15%    | 16.26%   | 27.33%   | 28.60%   | 32.69%   | 47.08%   | 55.06%   | 29.90%   | 64.92%   | <b>69.52%</b>   |
| DSI                                  | 0.47%    | 0.46%    | 1.68%    | 7.63%    | 14.76%   | 27.45%   | 28.90%   | 33.57%   | 47.71%   | 52.11%   | 32.35%   | 50.42%   | <b>56.52%</b>   |
| FSI                                  | 20.39%   | 20.39%   | 20.38%   | 19.75%   | 26.76%   | 26.48%   | 26.54%   | 26.51%   | 42.71%   | 75.65%   | 15.08%   | 152.62%  | <b>148.16%</b>  |

## Appendix 2: Selected stock market statistics as of 31 March 2025

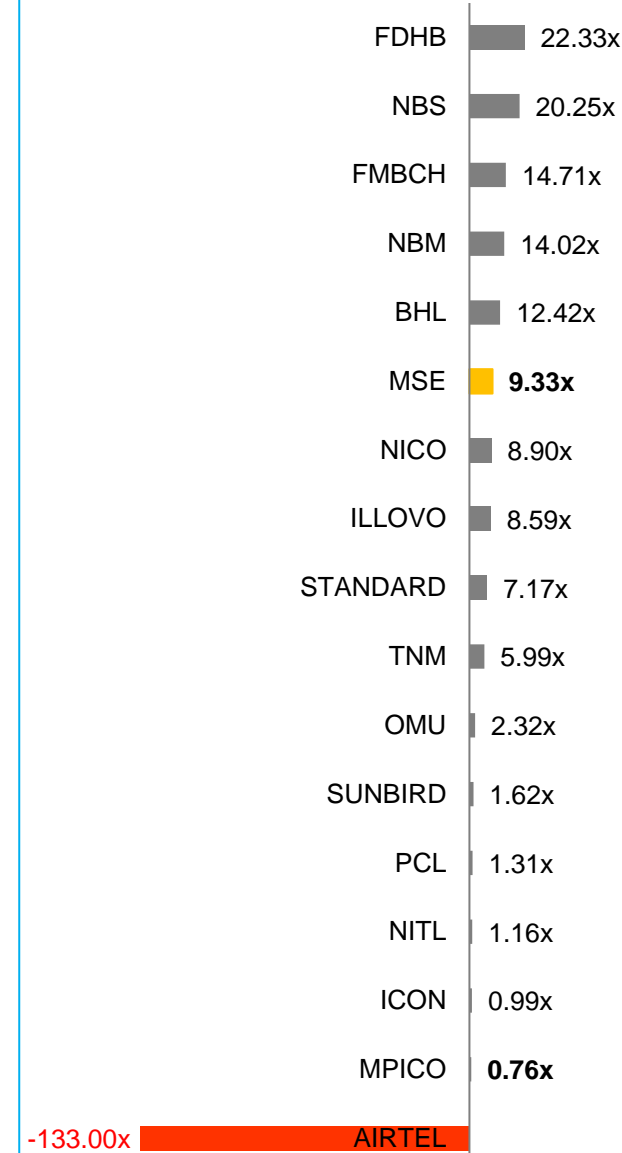
**Dividend Yield (%)** - the weighted average dividend yield on the MSE was 1.2% in March 2025. The counter with the highest dividend yield was OMU at 3.3%.



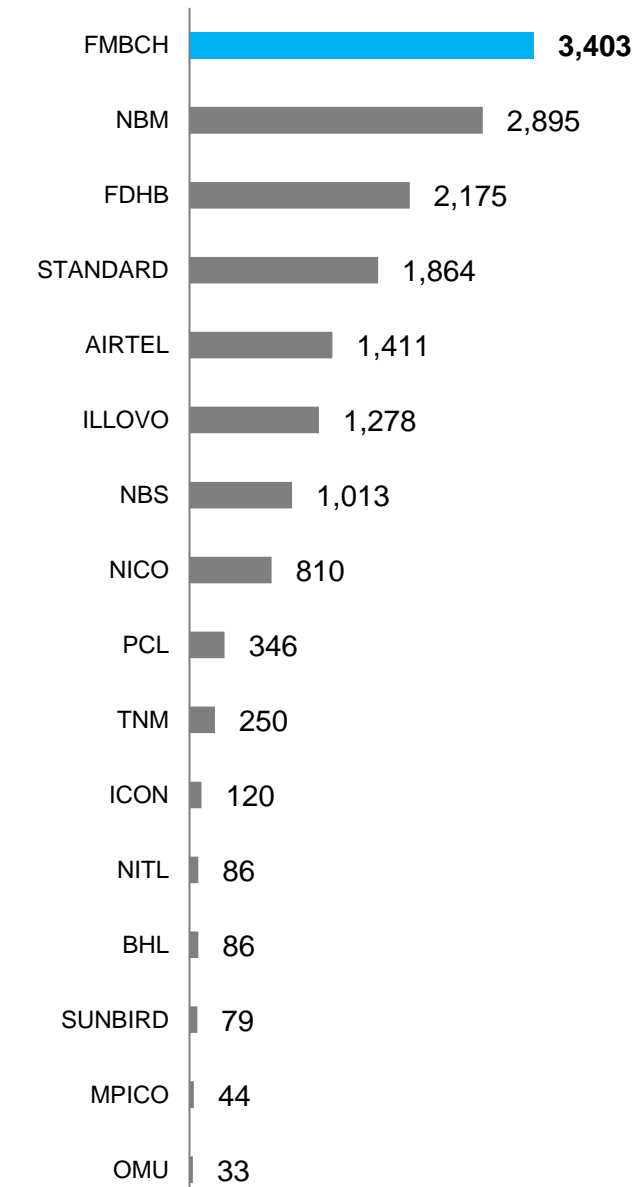
**P/E Ratio** - the weighted average price to earnings ratio on the MSE was 34.82x in March 2025. The counter with the lowest positive ratio was NITL at 2.88x.



**P/BV Ratio** - the weighted average price to book value ratio on the MSE was 9.33x in March 2025. The counter with the lowest positive ratio was MPICO at 0.76x.



**Market Capitalization (MK'billion)** – FMBCH had the highest market capitalization at MK3.40 trillion in March 2025.





## Appendix 3: Oxford Economics and World Bank Projections

### Oxford Economics Projections

| Annual percentage changes unless specified |          |          |          |          |          |
|--|----------|----------|----------|----------|----------|
|  | 2023     | 2024     | 2025     | 2026     | 2027     |
| Real GDP growth                            | 1.9      | 1.7      | 2.6      | 4.5      | 4.4      |
| CPI inflation                              | 28.6     | 32.2     | 21       | 12.8     | 8        |
| Exports of goods (USD'bn)                  | 1.1      | 1.1      | 1.2      | 1.3      | 1.4      |
| Exports of services (USD'bn)               | 0.5      | 0.5      | 0.5      | 0.6      | 0.6      |
| Imports of goods (USD'bn)                  | 3        | 3.1      | 3.3      | 3.4      | 3.6      |
| Imports of services (USD'bn)               | 1        | 0.9      | 0.9      | 0.9      | 1        |
| Exports of goods                           | 2.8      | 7.2      | 7.5      | 7.2      | 7.1      |
| Imports of goods                           | 4.5      | 4.3      | 4.6      | 4.6      | 4.7      |
| Current account (USD'bn)                   | -2.3     | -2       | -1.9     | -1.9     | -1.9     |
| Current account balance (% of GDP)         | -18.1    | -17.8    | -14.1    | -12.8    | -11.9    |
| Exchange rate per USD (year average)       | 1,161.10 | 1,734.30 | 1,825.30 | 1,929.90 | 2,035.20 |
| External debt total (USD'bn)               | 3.6      | 4.8      | 5.3      | 5.7      | 6.1      |
| Government balance (% of GDP)              | -9.2     | -7.2     | -6.2     | -5.7     | -5.5     |
| Government debt (% of GDP)                 | 91.4     | 90       | 84.7     | 83.7     | 83.3     |
| Population (million)                       | 21.1     | 21.7     | 22.2     | 22.8     | 23.4     |
| Nominal GDP (USD'bn)                       | 12.6     | 11.4     | 13.6     | 14.7     | 15.7     |
| GDP per capita (USD current prices)        | 595.3    | 526      | 613.8    | 645.1    | 671.1    |

Source: Oxford Economics Malawi Economic Forecast, February 2025

### World Bank projections

| Annual percentage change (unless otherwise indicated) |          |          |          |           |            |
|---|----------|----------|----------|-----------|------------|
|   | 2021     | 2022     | 2023     | 2024 est. | 2025 proj. |
| <b>National Accounts and Prices</b>                   |          |          |          |           |            |
| GDP at constant market prices (% change)              | 2.8      | 0.9      | 1.6      | 1.8       | 4.2        |
| Consumer prices (annual average)                      | 9.3      | 20.9     | 28.7     | 33.6      | 27.3       |
| <b>Money and Credit (average)</b>                     |          |          |          |           |            |
| Broad money (% change)                                | 23.6     | 34.3     | 34       | 45.5      | 45.5       |
| Credit to the private sector (% change)               | 15.3     | 15.1     | 14.8     | 14.9      | 14.9       |
| <b>External Sector (US\$ millions)</b>                |          |          |          |           |            |
| Exports (goods and services)                          | 1,591.10 | 1,490.10 | 1,562.90 | 1,418.50  | 1,792.10   |
| Imports (goods and services)                          | 3,770.40 | 3,707.10 | 3,944.90 | 3,584.50  | 4,090.30   |
| Gross official reserves                               | 79       | 120      | 201      | 133.1     | --         |
| (months of imports)                                   | 0.3      | 0.5      | 0.7      | 0.5       | --         |
| Current account (% of GDP)                            | -15.2    | -17.3    | -16.1    | -18.7     | -16.5      |
| Exchange rate (MWK/US\$ average)                      | 805.9    | 949      | 1,161.10 | 1,738.34  | --         |
| <b>Debt Stock</b>                                     |          |          |          |           |            |
| External debt (public sector, % of GDP)               | 38.2     | 34.1     | 48.5     | 47.2      | 46.7       |
| Domestic public debt (percentage of GDP)              | 19.3     | 42.6     | 42.8     | 38.2      | 36.5       |
| Total public debt (percentage of GDP)                 | 57.5     | 76.7     | 91.3     | 85.4      | 83.2       |

Source: World Bank Malawi Economic Monitor, January 2025

## Appendix 6: List of Acronyms and Abbreviations

|         |  |        |  |
|---------|--|--------|--|
| AfCFTA: | African Continental Free Trade Area          | MTL:   | Malawi Telecommunications Limited                      |
| av:     | Average                                      | NBM:   | National Bank of Malawi Plc                            |
| BHL:    | Blantyre Hotels Plc                          | NBS:   | NBS Bank Plc   |
| BIAT:   | Boosting Intra-African Trade                 | NICO:  | NICO Holdings Plc                                      |
| bn:     | Billion                                      | NITL:  | National Investment Trust Limited Plc                  |
| CEO:    | Chief Executive Officer                      | NSO:   | National Statistical Office                            |
| CPI:    | Consumer Price Index                         | OECD:  | Organization for Economic Co-operation and Development |
| DAP:    | Diammonium Phosphate                         | OMU:   | Old Mutual Limited Plc                                 |
| EIU:    | Economist Intelligence Unit                  | OPEC:  | Organization of the Petroleum Exporting Countries      |
| EUR:    | Euro   | P/BV:  | Price to book value                                    |
| FDHB:   | FDH Bank Plc                                 | P/E:   | Price to earnings                                      |
| FMBCH:  | FMB Capital Holdings Plc                     | PCL:   | Press Corporation Limited Plc                          |
| GBP:    | Great British Pound                          | RBM:   | Reserve Bank of Malawi                                 |
| GDP:    | Gross Domestic Product                       | REC:   | Regional economic communities                          |
| GTI:    | Guided Trade Initiatives                     | RoO:   | Rules of Origin  |
| GVC:    | Global value chain                           | RVC:   | Regional value chain                                   |
| IFPRI:  | International Food Policy Research Institute | SDG:   | Sustainable Development Goals                          |
| IMF:    | International Monetary Fund                  | SME:   | Small and medium enterprises                           |
| Kg:     | Kilogram                                     | TB:    | Treasury Bill  |
| LDC:    | Least developing country                     | TBA:   | To be announced  |
| LRR:    | Liquidity Reserve Requirement                | TN:    | Treasury Note  |
| MASI:   | Malawi All Share Index                       | TNM:   | Telekom Networks Malawi Plc                            |
| Mb/d:   | Million barrels per day                      | Toz:   | Troy ounces  |
| MK:     | Malawi Kwacha                                | TT:    | Telegraphic Transfer                                   |
| Mn:     | Million                                      | UNECA: | United Nations Economic Commission for Africa          |
| MPC:    | Monetary Policy Committee                    | USD:   | United States Dollar                                   |
| MSE:    | Malawi Stock Exchange                        | VAT:   | Value Added Tax  |
| Mt:     | Metric tons                                  |        |  |

### Disclaimer

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### Contact Information

#### Head Office – Blantyre

Bridgepath Capital Limited  
1<sup>st</sup> Floor (106), Development House  
Corner Henderson Street Road  
P.O. Box 2920  
Blantyre

#### Lilongwe Office

Bridgepath Capital Limited  
Taurus House, Off Presidential Drive  
City Center  
Lilongwe

Tel No: + 265 111 828 355

Email: [info@bridgepathcapitalmw.com](mailto:info@bridgepathcapitalmw.com)

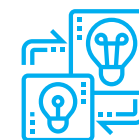
Website: [www.bridgepathcapitalmw.com](http://www.bridgepathcapitalmw.com)

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# CONTACT US

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 [www.bridgepathcapitalmw.com](http://www.bridgepathcapitalmw.com)

 +265 0886 500 555

 [info@bridgepathcapitalmw.com](mailto:info@bridgepathcapitalmw.com)

 +265 111 828 355