

Malawi Financial Market Update

Week ending 11 April 2025





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Market developments

What happened this week

Parliament has passed a new Tourism Act, establishing the Malawi Tourism Authority as the statutory body responsible for regulating the sector.

Parliament passed the Sugarcane Bill, which establishes the Malawi Sugarcane Industry Commission to act as the central regulatory authority in the industry.

Parliament passed the Construction Industry Bill, which establishes the Construction Industry Regulatory Authority of Malawi as the new regulatory body in the sector.

1. The Reserve Bank of Malawi (RBM) conducted a Foreign Exchange Auction on 3 April 2025, raising USD150,000. Based on the auction results, the RBM determined that the market selling price shall remain at MK1,751.00/USD. (*Reserve Bank of Malawi, 7 April 2025*)
2. Malawi launched the Xidian Stock Exchange, a China-led initiative offering an interface between 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. (*The Nation, 7 April 2025*)
3. On 9 April 2025, U.S. President Donald Trump announced a 90-day pause on all "reciprocal" tariffs, with the exception of China. In response to China's announcement of additional retaliatory tariffs earlier that day, Trump stated that tariffs on Chinese goods would instead be increased to 125% from 104%. Meanwhile, all other countries previously subject to the "reciprocal" tariff rates will see those rates reduced to the universal rate of 10%. According to a White House official, another exception applies to Mexico and Canada, which will continue to face a 25% tariff unless they comply with the U.S.-Mexico-Canada Agreement. (*CNN, 9 April 2025*)
4. Parliament has passed a new Tourism Act aimed at enhancing regulation, standardization, and development of Malawi's tourism sector. The Act replaces the Tourism and Hotels Act of 1968 and establishes the Malawi Tourism Authority as the statutory body responsible for regulating the sector. The new Act also proposes the creation of the Malawi College of Tourism and introduces a registration and licensing framework for tourism enterprises, establishments, and practitioners. The new law is also expected to facilitate the mapping of tourism zones, aligned with government efforts to promote Special Economic Zones and attract further investment in tourism infrastructure. (*The Nation, 9 April 2025*)
5. Parliament passed the Sugarcane Bill, which seeks to establish a comprehensive legal framework for the promotion and regulation of sugarcane cultivation for industrial use. A key provision of the bill is the creation of the Malawi Sugarcane Industry Commission, which will act as the central regulatory authority, tasked with overseeing operations and driving industry growth. The legislation also introduces the Sugarcane Industry Tribunal to handle conflict resolution. (*The Daily Times, 10 April 2025*)
6. Parliament passed the Construction Industry Bill, which repeals the National Construction Industry Act (Cap 53:05) of 1996 and establishes the Construction Industry Regulatory Authority of Malawi, replacing the existing National Construction Industry Council. The new Authority will be responsible for regulating, promoting, and developing the construction industry in Malawi. The bill aims to strengthen the legal mandate and operational capacity of the regulatory body while also enhancing penalties for unlawful conduct. (*The Daily Times, 10 April 2025*)
7. NBS Bank Plc released its audited financial results for the year ended 31 December 2024. Profit after tax rose sharply by 148% to MK72.99 billion from MK29.38 billion in 2023, driven by a 139% increase in net interest income to MK160 billion. Total assets grew by 81% to MK1.19 trillion, while customer deposits rose by 35% to MK726.73 billion. The loan book expanded to MK248 billion from MK162 billion in 2023, and the non-performing loan ratio improved to 4.7% from 4.9%. The Bank achieved a return on equity of 65%, up from 59% in 2023, underscoring the improved profitability and operational efficiency. (*NBS Bank Plc, 10 April 2025*)
8. NBS Bank Plc announced a third interim dividend of MK14.55 billion, equivalent to MK5.00 per share, to be paid to its shareholders. The dividend will be paid on 6 May 2025, with the last day to register set for 25 April 2025. The ex-dividend date, the day the shares begin trading without the dividend value, is 23 April 2025. (*NBS Bank Plc, 7 April 2025*)
9. TNM Plc will hold an extraordinary general meeting of shareholders on 2 May 2025 at 14:30hrs at Sunbird Mount Soche Hotel, Blantyre. The following special resolutions will be considered: authorization for the conversion of the existing par or nominal value share in accordance with the company's Act; amendment of the company's Memorandum of Association; authorization for the issuance of shares for cash in line with MSE listing requirements; and waiver of pre-emptive rights. (*TNM Plc, 11 April 2025*)
10. As of 11 April 2025, a cumulative 0.75 million kilograms (kg) of tobacco has been sold at an average price of USD2.35/kg. The cumulative amount raised so far is USD1.75 million. (*Auction Holdings Limited, 11 April 2025*)

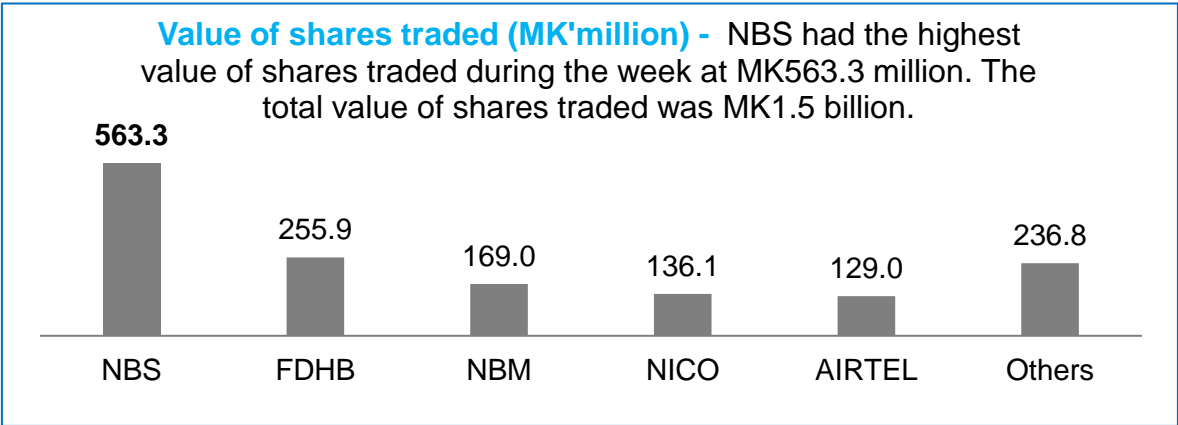
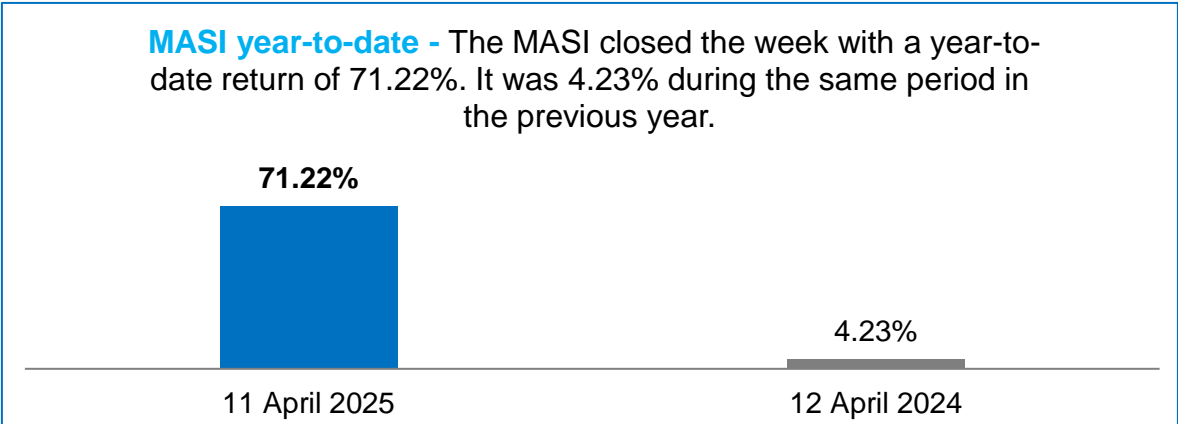
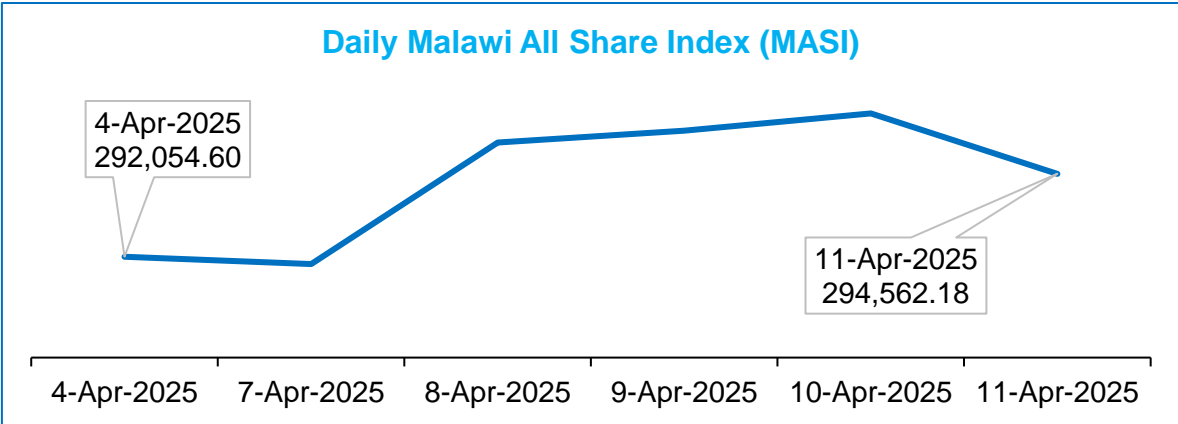


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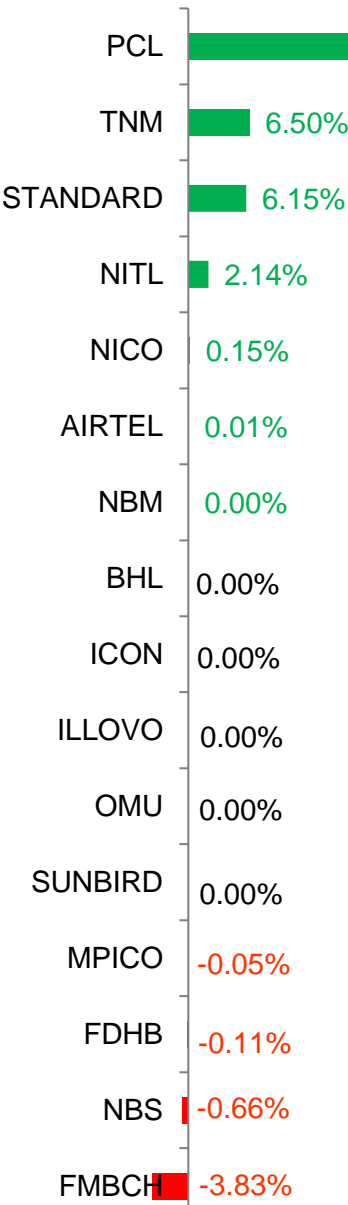
Stock market (Source: MSE)

The stock market was bullish, with the Malawi All Share Index (MASI) closing the week ending 11 April 2025 at 294,562.18 points from 292,054.60 points on 4 April 2025.

The total value of shares traded was MK1.5 billion. NBS had the highest value of shares traded at MK563.3 million



Week-on-week share price percentage change (%)



Symbol	Closing prices as of 11 April 2025 (MK/share)	Closing prices as of 4 April 2025 (MK/share)
AIRTEL	129.03	129.02
BHL	14.55	14.55
FDHB	314.71	315.07
FMBCH	1,244.00	1,293.50
ICON	17.95	17.95
ILLOVO	1,791.65	1,791.65
MPICO	18.98	18.99
NBM	6,200.14	6,200.10
NBS	344.99	347.29
NICO	776.74	775.56
NITL	715.01	700.00
OMU	1,950.03	1,950.03
PCL	3,802.22	2,875.02
STANDARD	9,500.00	8,950.01
SUNBIRD	300.14	300.14
TNM	24.92	23.40



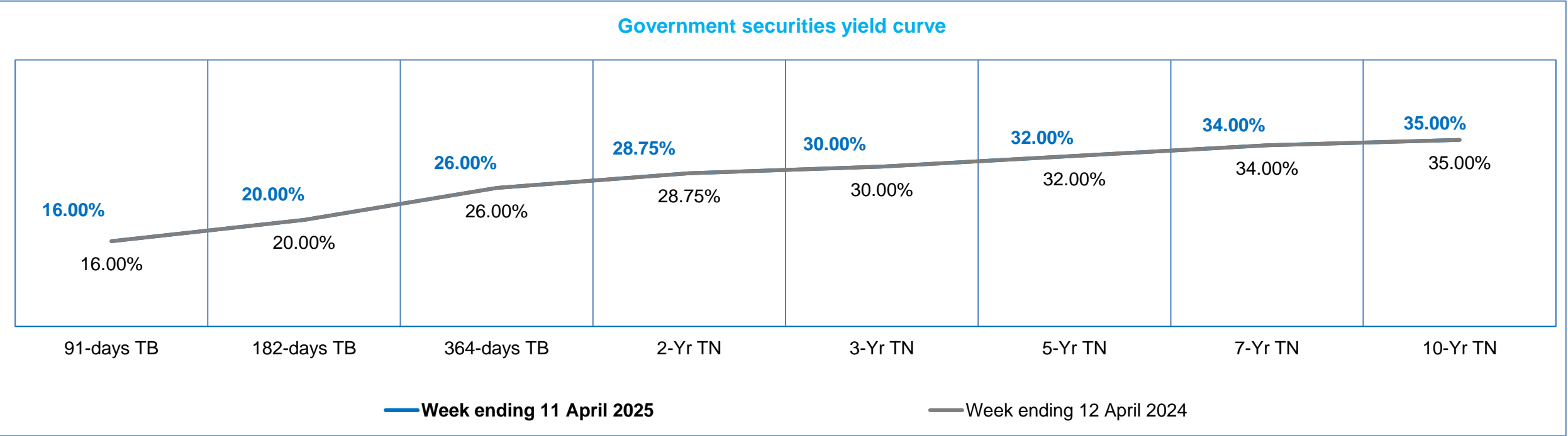
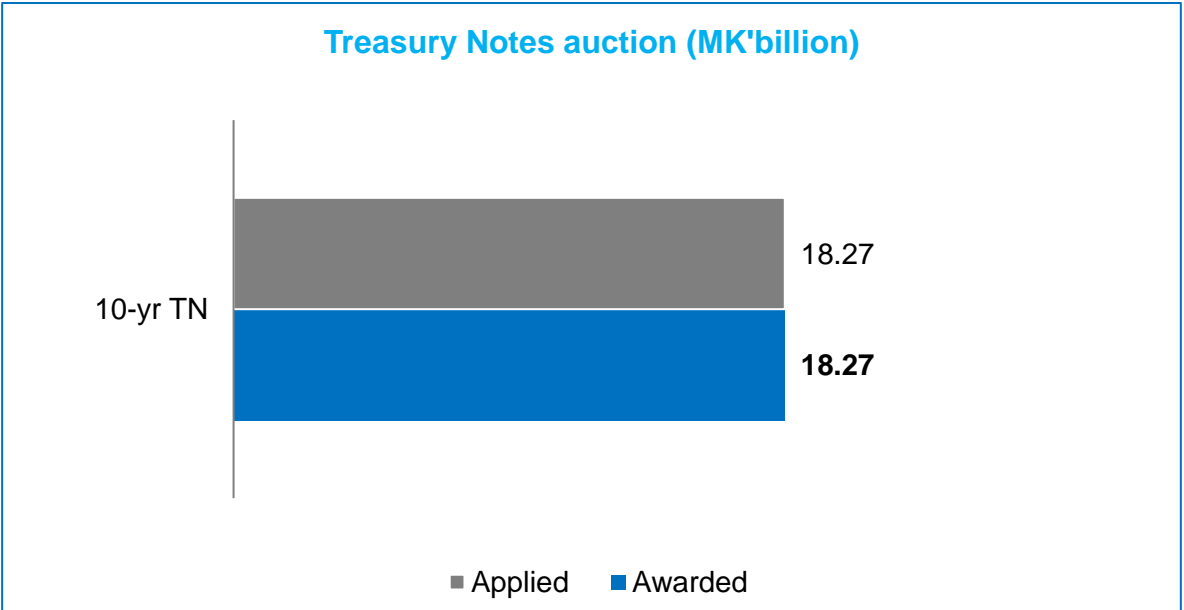
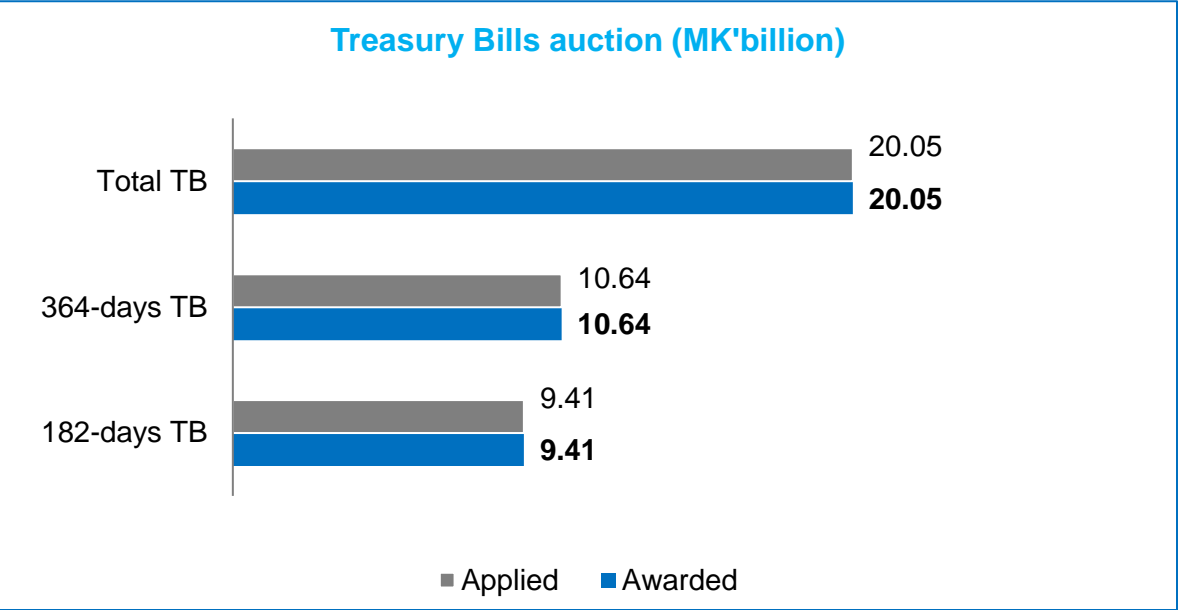
Government securities (Source: RBM)

The Reserve Bank of Malawi held auctions for all tenors of Treasury Bills (TBs) and a 10-year Treasury Note (TN) during the period under review.

The total amount raised from the TBs auctions was MK20.05 billion.

The total amount raised from the 10-year TN auction was MK18.27 billion.

The average Treasury Bills and Treasury Notes yields remained at 20.67% and 31.95%, respectively, during the period under review.



TB: Treasury Bill
TN: Treasury Note



Appendix 1: Historical 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	11-April-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	1,750.25	1,734.01*
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	2,329.61	2,330.95*
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	1,861.87	1,866.83	1,873.26	1,945.36	2024.29*
MK/ZAR	94.64	95.40	95.89	96.89	97.91	101.09	105.69	101.15	99.29	95.82	97.11	97.04	98.15	92.23*
Foreign Exchange Reserves														
Total Reserves (USD'mn)	552.94	603.07	610.18	591.51	572.02	549.85	560.3	519.0	516.9	530.9	570.60	569.5	N/A	N/A
Inflation														
Headline	31.8%	32.3%	32.7%	33.3%	33.7%	33.9%	34.3%	32.4%	27.0%	28.1%	28.5%	30.7%	N/A	N/A
Food	38.8%	39.9%	40.7%	41.5%	41.9%	42.0%	43.5%	40.3%	33.7%	35.6%	36.0%	38.5%	N/A	N/A
Non-food	22.2%	22.4%	22.1%	22.2%	22.4%	22.7%	21.8%	21.2%	17.2%	16.8%	16.9%	18.5%	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%	26.00%	26.00%
Average Interbank Rate (Overnight)	22.22%	22.54%	23.39%	24.17%	24.20%	24.37%	24.20%	24.20%	23.23%	23.22%	23.19%	23.18%	23.19%	23.19%
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%	26.20%	26.20%
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%	25.10%	25.10%
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%	16.00%	16.00%
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%	20.00%	20.00%
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%	26.00%	26.00%
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%	28.75%	28.75%
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%	30.00%	30.00%
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%	32.00%	32.00%
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%	34.00%	34.00%
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%	35.00%	35.00%
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%	69.52%	71.22%
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%	56.52%	62.64%
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%	148.16%	123.07%

*: Reserve Bank of Malawi opening exchange rates (middle) as of 11 April 2025

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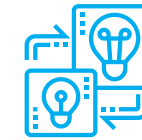
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