

Malawi Financial Market Update

Week ending 27 June 2025





Market Developments

What happened this week

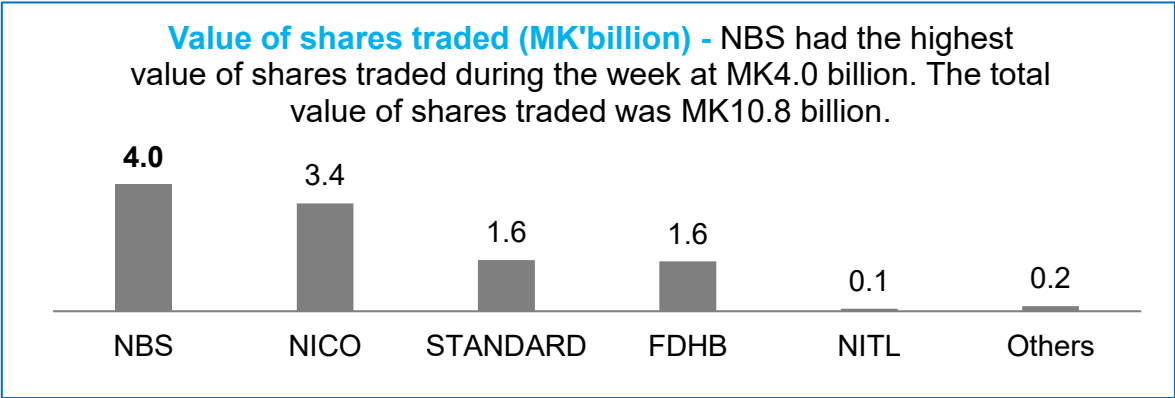
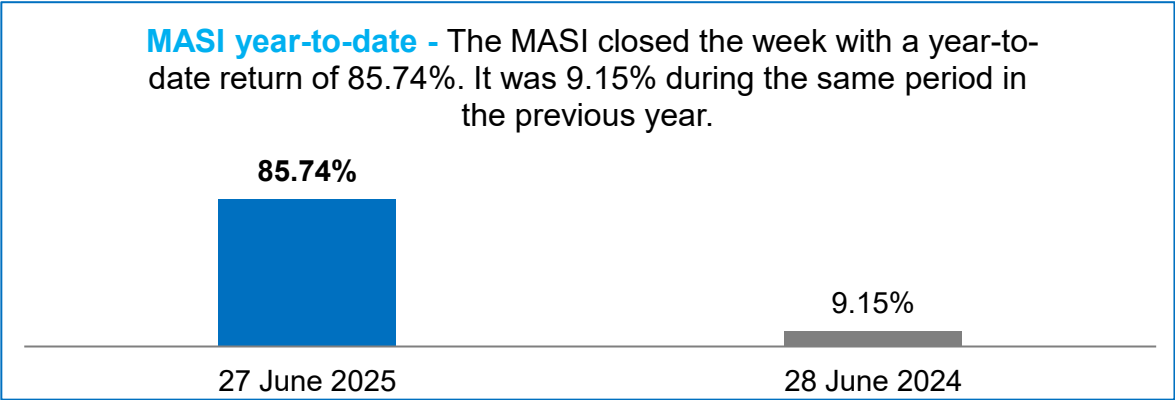
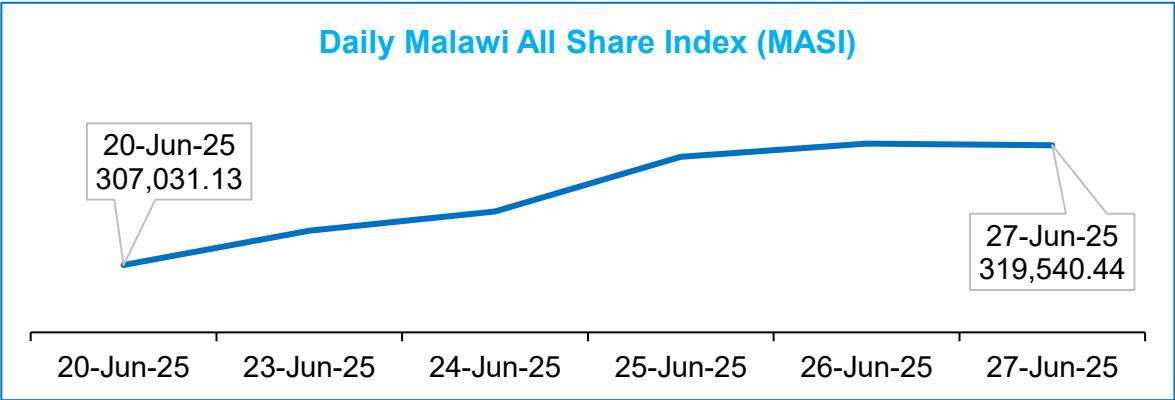
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1. The European Union (EU) has unveiled a EUR2.0 billion (about MK4.2 trillion) Joint Strategy to support Malawi's progress in governance, education, green growth, and social inclusion, aligning with the country's MW2063 development vision. The plan consolidates efforts from the EU, member states such as Germany and Ireland, and institutions like the European Investment Bank, shifting from fragmented aid to a unified, impact-driven approach. Of the total, EUR 1.4 billion is allocated to grants and EUR 600 million to concessional loans – one of the EU's largest coordinated packages in Malawi. (*The Nation*, 26 June 2025)
2. The World Food Programme has revised Malawi's maize deficit projection to 1.2 million metric tonnes (MT) for the 2024/25 season, a rise from the earlier estimate of 537,380 MT. The new forecast factors in post-harvest losses (of at least 11%), net import and export, seed requirement, animal feed, industrial use, and strategic grain reserve (SGR) replenishment, against a national requirement of 3.7 million MT. WFP warns this shortfall signals a tough lean season ahead. (*The Nation*, 23 June 2025)
3. A recent Afrobarometer survey reveals that the majority of Malawians face significant barriers to accessing public health services, with 62% of recent clinic visitors reporting difficulty in obtaining the care they needed. Key problems include shortages of medicine and supplies, long wait times, high costs, and understaffed or poorly maintained facilities. Despite the presence of medical aid schemes in the country, only 4% of Malawians are insured, primarily through private providers. Among the uninsured, most either can't afford coverage or are unaware of its existence. (*Afrobarometer*, 20 June 2025)
4. A recent Afrobarometer survey shows that although MW2063 positions youth as the engine of national progress, young Malawians continue to grapple with deep economic and social challenges. While they are better educated than older generations, most lack employment (fewer than 10% report being employed), and over half are actively seeking work. They cite inadequate training, job scarcity, and a mismatch between education and market demands as significant barriers to progress. Food shortage is the most important problem that young Malawians say their government must address, followed by the increasing cost of living. Despite these hardships, youth remain civically engaged, with strong support for elections and 81% saying they will vote in 2025. (*Afrobarometer*, 27 June 2025)
5. Oil prices dropped 5% on Tuesday after Israel agreed to a ceasefire with Iran, easing fears of prolonged supply disruptions. Brent crude fell below USD67 a barrel before recovering slightly, after spiking as high as USD81 during recent missile strikes. Analysts say oil prices remain volatile and will depend on whether both sides adhere to the truce. (*BBC*, 24 June 2025)
5. As of 26 June 2025, a cumulative 124.0 million kilograms (kgs) of tobacco have been sold at an average price of USD2.52/Kg. The cumulative amount raised so far is USD312.7 million. At this time last year, a cumulative 107.7 million kgs of tobacco had been sold at an average price of USD2.91/Kg, and a cumulative USD313.1 million had been raised. (*Auction Holdings Limited*, 26 June 2025)
6. Lotus Resources Limited has announced a shift to an owner-operator model for the Kayelekera Uranium Mine in Karonga, marking a departure from previous subcontracting arrangements under Paladin (Africa) Limited. The company says the decision followed a thorough review and contractor tender process, and comes as cold commissioning of the plant nears completion ahead of a restart slated for Q3 2025. Experts say the new model offers better efficiency, control, and profitability, though it also increases operational risk. (*The Nation*, 27 June 2025)
7. NBS Bank Plc released a trading statement, advising that the consolidated profit after tax for the half year ending 30 June 2025 is expected to be in the range of MK70.6 billion to MK73.8 billion, representing an increase of between 116.6% and 126.4% on the profit after tax reported for the half year ending 30 June 2024. (*NBS Bank Plc*, 25 June 2025)
8. NICO Holdings Plc released a trading statement, advising that the consolidated profit after tax for the half year ending 30 June 2025 is expected to be in the range of MK115 billion to MK125 billion, representing an increase of between 135% and 155% on the profit after tax reported for the half year ending 30 June 2024. (*NICO Holdings Plc*, 26 June 2025)
9. Telekom Networks Malawi (TNM) Plc released a trading statement, advising that the consolidated profit after tax for the half year ending 30 June 2025 is expected to be in the range of MK7.82 billion to MK8.27 billion, representing an increase of between 246% and 266% on the profit after tax reported for the half year ending 30 June 2024. (*TNM*, 27 June 2025)
10. National Bank of Malawi (NBM) Plc released a trading statement, advising that the consolidated profit after tax for the half year ending 30 June 2025 is expected to be in the range of MK77.90 billion to MK84.12 billion, representing an increase of between 85% and 100% on the profit after tax reported for the half year ending 30 June 2024. (*The Daily Times*, 27 June 2025)



Stock market (Source: MSE)

The stock market was bullish, with the Malawi All Share Index (MASI) closing the week ending 27 June 2025 at 319,540.44 points from 307,031.13 points on 20 June 2025. There were share price gains in PCL, TNM, NBS, FDHB and NICO, resulting in an upward movement of the index.



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

PCL	27.50%
TNM	14.58%
NBS	13.71%
FDHB	11.49%
NICO	1.78%
BHL	0.34%
STANDARD	0.09%
MPICO	0.05%
NBM	0.00%
FMBCH	0.00%
NITL	0.00%
OMU	0.00%
SUNBIRD	0.00%
ILLOVO	0.00%
AIRTEL	-0.09%
ICON	-0.11%

Symbol	Closing prices as of 27 June 2025 (MK/share)	Closing prices as of 20 June 2025 (MK/share)
AIRTEL	127.44	127.56
BHL	14.55	14.50
FDHB	350.08	314.00
FMBCH	1,000.04	1,000.04
ICON	17.93	17.95
ILLOVO	1,791.30	1,791.36
MPICO	19.02	19.01
NBM	6,200.38	6,200.29
NBS	705.49	620.42
NICO	859.23	844.22
NITL	820.04	820.04
OMU	2,500.03	2,500.03
PCL	5,100.00	3,999.98
STANDARD	11,009.21	10,999.54
SUNBIRD	350.01	350.01
TNM	26.40	23.04



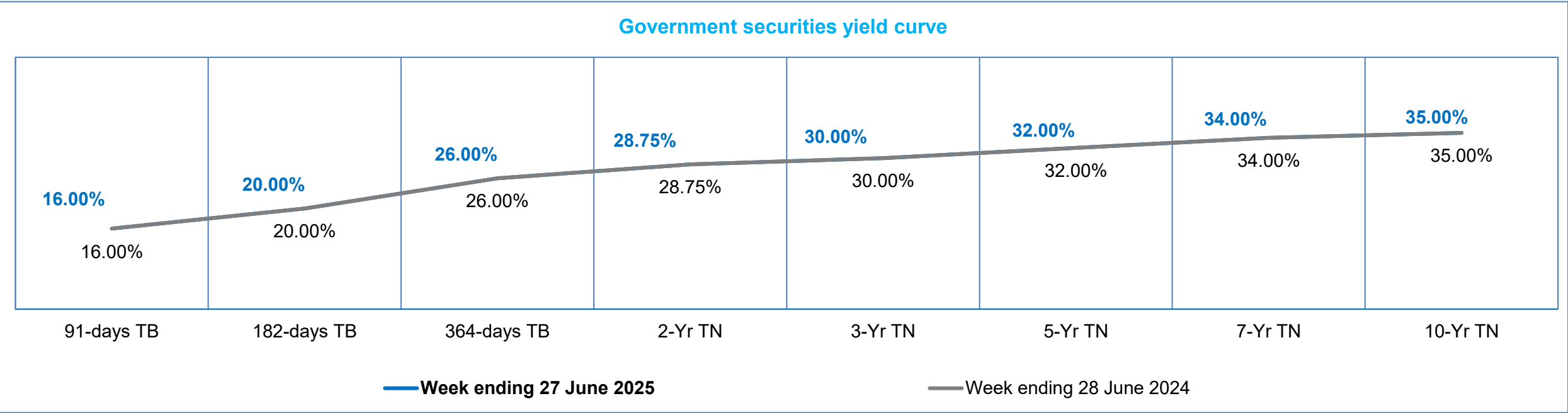
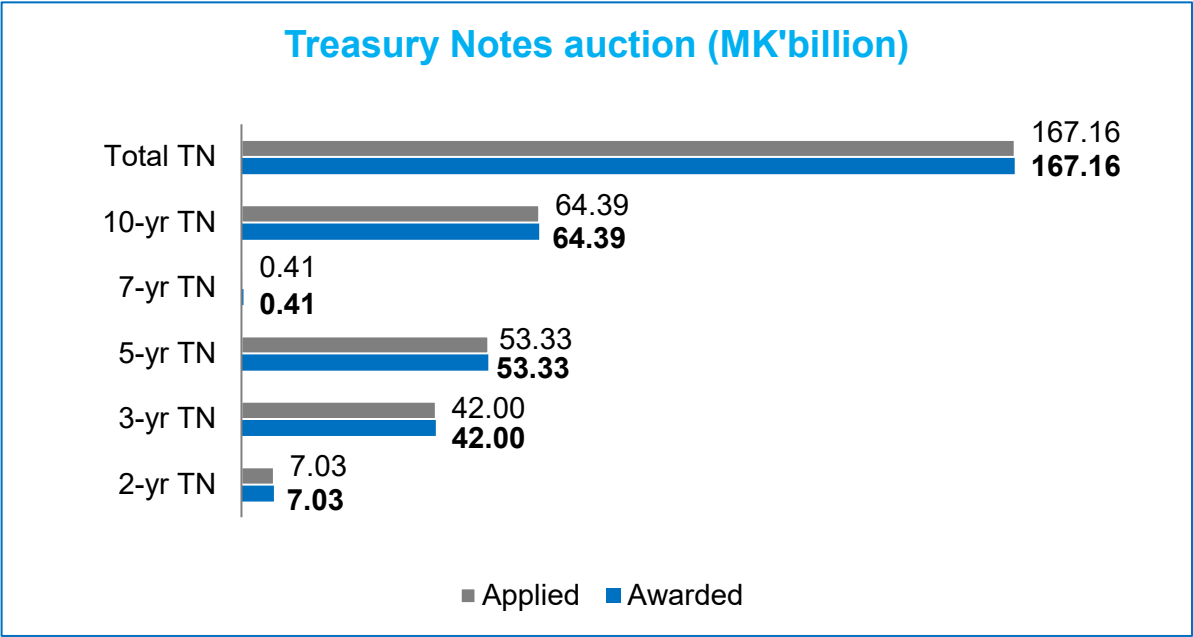
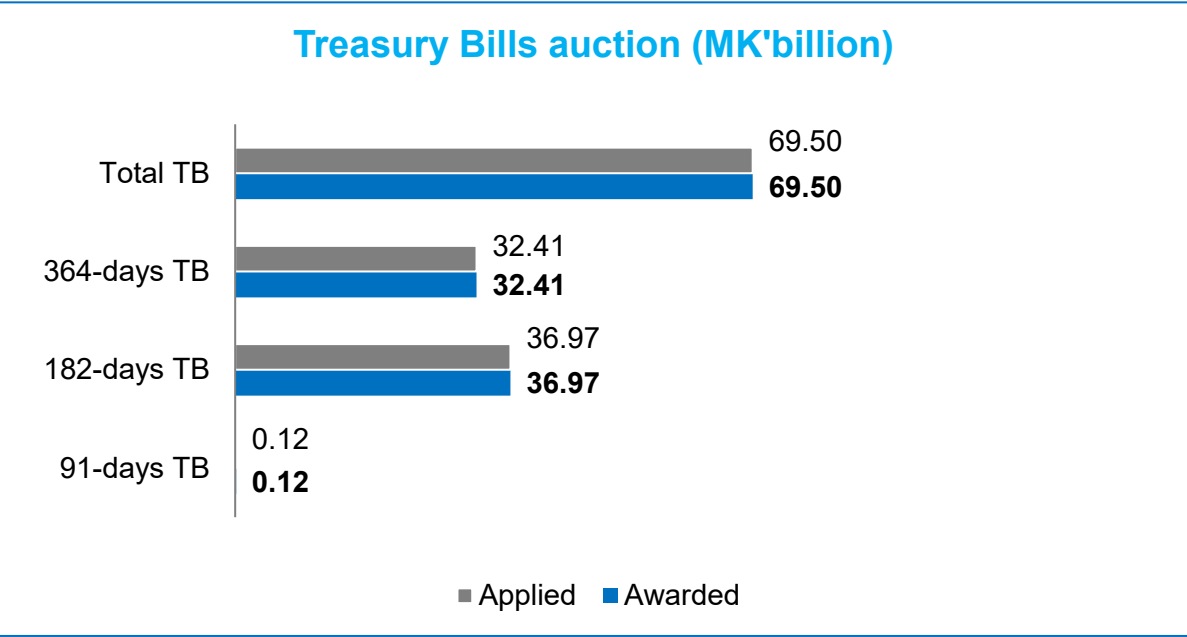
Government Securities (Source: RBM)

The Reserve Bank of Malawi held auctions for all tenors of Treasury Bills (TBs) and Treasury Notes (TNs) during the period under review.

The total amount raised from the TBs auction was MK69.50 billion, primarily driven by the 364-days and 182-days TBs.

The total amount raised from the TNs auction was MK167.16 billion, primarily driven by the 10-year TN.

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



TB: Treasury Bill
TN: Treasury Note



Appendix 1: Historical Economic Indicators

	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	April-25	May-25	27-Jun-25
Exchange Rates (middle rates)														
MK/USD	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	1,750.51	1,750.67	1,734.01
MK/GBP	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	2,412.28	2,415.65	2,453.47
MK/EUR	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	2,052.11	2,045.98	2,091.44
MK/ZAR	95.89	96.89	97.91	101.09	105.69	101.15	99.29	95.82	97.11	97.04	98.15	96.28	100.76	100.16
Foreign Exchange Reserves														
Total Reserves (USD'mn)	610.18	591.51	572.02	549.85	560.3	519.0	516.9	530.9	570.60	569.5	536.0	530.0	N/A	N/A
Inflation														
Headline	32.7%	33.3%	33.7%	33.9%	34.3%	32.4%	27.0%	28.1%	28.5%	30.7%	30.5%	29.2%	27.7%	N/A
Food	40.7%	41.5%	41.9%	42.0%	43.5%	40.3%	33.7%	35.6%	36.0%	38.5%	37.7%	35.8%	32.7%	N/A
Non-food	22.1%	22.2%	22.4%	22.7%	21.8%	21.2%	17.2%	16.8%	16.9%	18.5%	19.2%	19.4%	20.0%	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)	23.39%	24.17%	24.20%	24.37%	24.20%	24.20%	23.23%	23.22%	23.19%	23.18%	23.19%	23.18%	23.82%	23.99%
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	25.00%	25.10%	25.40%	25.40%	25.40%	25.40%	25.50%	25.30%	25.20%	25.10%	25.10%	25.10%	25.20%	25.20%
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	4.03%	9.15%	16.26%	27.33%	28.60%	32.69%	47.08%	55.06%	29.90%	64.92%	69.52%	68.39%	64.58%	85.74%
DSI	1.68%	7.63%	14.76%	27.45%	28.90%	33.57%	47.71%	52.11%	32.35%	50.42%	56.52%	62.53%	62.41%	86.73%
FSI	20.38%	19.75%	26.76%	26.48%	26.54%	26.51%	42.71%	75.65%	15.08%	152.62%	148.16%	103.82%	77.74%	79.74%

The 27 June 2025 exchange rates are Middle (TT) opening exchange rates as reported by the Reserve Bank of Malawi.

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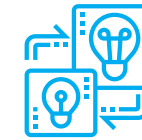
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