

Malawi Monthly Economic Report and an Overview of the 21st Malawi Economic Monitor by the World Bank

July 2025



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Inflation and Monetary Policy

The headline inflation rate declined to 27.1% in June 2025 from 27.7% in May 2025. This was driven by the decrease in the food inflation rate to 31.6% in June 2025 from 32.7% in May 2025, offsetting the increase in the non-food inflation rate to 20.1% in June 2025 from 20.0% in May 2025. The inflation rate averaged 28.0% in Q2 2025, easing from an average of 29.9% in Q1 2025. The latest average inflation projections for 2025 are 27.7% by the International Monetary Fund (IMF), 28.8% by Oxford Economics, and 34.7% by the World Bank.

During its third meeting in July 2025, the Monetary Policy Committee (MPC) maintained the Policy Rate at 26.0%, the Lombard Rate at 20 basis points above the Policy Rate, and the Liquidity Reserve Requirement at 10.0% for local currency deposits and 3.75% for foreign currency deposits.

Foreign Exchange Market and Reserves Position

Based on the closing middle rates, the Malawi Kwacha was stable as it traded at MK1,750.58/USD as of 31 July 2025 from MK1,750.48/USD as of 30 June 2025. The MPC also observed that the bureau cash rate remained relatively steady, recorded at MK1,937.41/USD as at the end of June.

As of 30 May 2025, the country's total foreign exchange reserves declined to USD521 million from USD530 million in April 2025. The import cover remained at 2.1 months in April and May.

According to the World Bank (WB), the official foreign exchange reserves remain critically low due to limited exchange-rate flexibility and ongoing sales to authorized dealer banks. Since the November 2023 devaluation, the Reserve Bank of Malawi (RBM) has maintained a largely stable official exchange rate. Additionally, since 2019, the RBM has sold USD2.9 billion to authorized dealer banks while only purchasing USD2.4 billion.

Stock Market

The stock market was bullish in July 2025, with the Malawi All Share Index (MASI) rising by 17.08% to 386,281.85 points from 329,922.87 points in June 2025, bringing the MASI year-to-date return to 124.53%. The value of shares traded increased by 14.1% to MK28.8 billion in July 2025, from MK25.3 billion in June 2025.

Fiscal Policy and Government Securities

The government raised MK557.57 billion through Treasury Bill (TB) and Treasury Note (TN) auctions in July 2025, a 16.4% decrease from the MK667.16 billion raised in June 2025.

Commodity Market

According to the International Food Policy Research Institute (IFPRI), the retail maize price increased by 8% to MK1,031/kg in June 2025 from MK951/kg in May 2025.

As of 31 July 2025, the cumulative value of tobacco sold was USD460 million, higher than the USD394.30 million sold during the same period in the previous year.

Malawi Economic Growth Outlook

Real GDP growth forecasts for Malawi in 2025 range from 1.6% to 3.2%, with a median estimate of 2.4%, reflecting a downward revision by major institutions amid adverse weather, funding cuts, and persistent foreign exchange shortages. Oxford Economics projects 2.4% growth, supported by a relatively strong harvest and the reopening of the Kayelekera uranium mine, which are expected to partially offset the impact of the IMF and USAID funding withdrawals. The Economist Intelligence Unit (EIU) offers the lowest forecast at 1.6%, pointing to drought-related declines in agriculture and erratic power supply. The Reserve Bank of Malawi (RBM) forecasts 3.2% due to poor weather at the start of the farming season. The World Bank projects 2.0%, citing a weaker-than-expected agricultural season, aid suspensions, and the private sector facing difficulties in importing critical inputs. Meanwhile, the IMF and African Development Bank (AfDB) forecast growth at 2.4% and 3.0%, respectively.

Opportunities

Oxford Economics notes that pivoting to new agricultural outputs, such as soybeans, tea, and cannabis, for international markets could enhance economic growth. Service exports in the form of tourism are another viable means to stimulate growth, as the country is endowed with spectacular natural beauty that remains largely untapped commercially. Moreover, promising developments in the industrial sector, specifically uranium and rare earth mining, could also lead to the much-needed diversification away from agriculture.

The Reserve Bank of Malawi also unveiled the 2025 Projects Compendium, a curated portfolio of high-impact projects in priority sectors aligned with Malawi Vision 2063. The compendium highlights viable initiatives across agriculture, mining, energy, health, tourism, and manufacturing sectors – many of which target import substitution, export diversification, and job creation.

Risks

The forthcoming joint World Bank/IMF 2025 Debt Sustainability Analysis (DSA) classifies Malawi's external and overall public debt as "in distress". Persistent fiscal deficits are being financed through expensive domestic borrowing, which crowds out private sector credit and diverts resources from public investment and social spending. In 2024, interest payments on domestic debt reached 7.0% of GDP, absorbing 45.8% of domestic revenue. Meanwhile, slow progress in restructuring agreements with external commercial creditors is worsening the government's financing challenges.

An Overview of the 21st Malawi Economic Monitor by the World Bank

The World Bank reports that Malawi's economy remains under significant strain, with decreasing per capita incomes and rising food insecurity. It claims that while external shocks have adversely affected the country, their impacts were exacerbated by policy shortfalls.

The World Bank expects the budget deficit to widen in 2025, driven by election-year spending and the need to absorb some critical expenditures, including those previously financed through aid flows that are now declining. The ongoing structural challenges in the exchange rate market will continue to incentivize imports and discourage export growth, deepening external imbalances. It warns that continued delays in addressing persistent fiscal and current account deficits increase the risk of further deterioration.

The World Bank urges Malawi to move away from "business as usual" and implement urgent reforms to create conditions for growth. Key priorities include restoring macroeconomic stability, boosting investment and exports, and building resilience through climate-smart agriculture and stronger social protection systems.



Economic Overview

Inflation and Monetary Policy

In June 2025, the headline inflation rate declined to 27.1% from 27.7% in May 2025. Inflation eased to an average of 28.0% in Q2 2025 from an average of 29.9% in Q1 2025.

In its third meeting of 2025, the Monetary Policy Committee (MPC) decided to maintain the Policy Rate at 26.0%.

As per Oxford Economics, the Reserve Bank of Malawi (RBM) is likely to maintain the policy rate at 26% in both 2025 and 2026.

The commercial bank reference rate for August 2025, effective 5 August 2025, is 25.40%.

Inflation (Source: NSO, IMF, RBM, WB, EIU, Oxford Economics, AfDB)

Headline inflation fell to 27.1% in June 2025 from 27.7% in May 2025, as lower food inflation outweighed a slight rise in the non-food inflation. The food inflation rate decreased to 31.6% in June 2025 from 32.7% in May 2025, while the non-food inflation rate increased to 20.1% in June 2025 from 20.0% in May 2025. The inflation rate averaged 28.0% in Q2 2025, easing from an average of 29.9% in Q1 2025.

Inflation projections for Malawi in 2025 vary across institutions, although most expect some easing. Oxford Economics forecasts inflation to average 28.8%, citing lower imported inflation and improved agricultural output compared to 2024. The International Monetary Fund (IMF) projects a slightly lower rate of 27.7%, while the Reserve Bank of Malawi (RBM) has revised its forecast up to 28.5% due to persistent upside risks to food prices. The Economist Intelligence Unit (EIU) forecasts the inflation rate at 28.1%, attributing inflationary pressure to currency weakness and continued government spending funded by borrowing ahead of the 2025 election. The World Bank's (WB) projection is highest at 34.7%, citing a weaker agricultural recovery, new import bans that constrain supply, and continued high money supply growth. The African Development Bank (AfDB) is the most optimistic, projecting a decline to 23.8%.

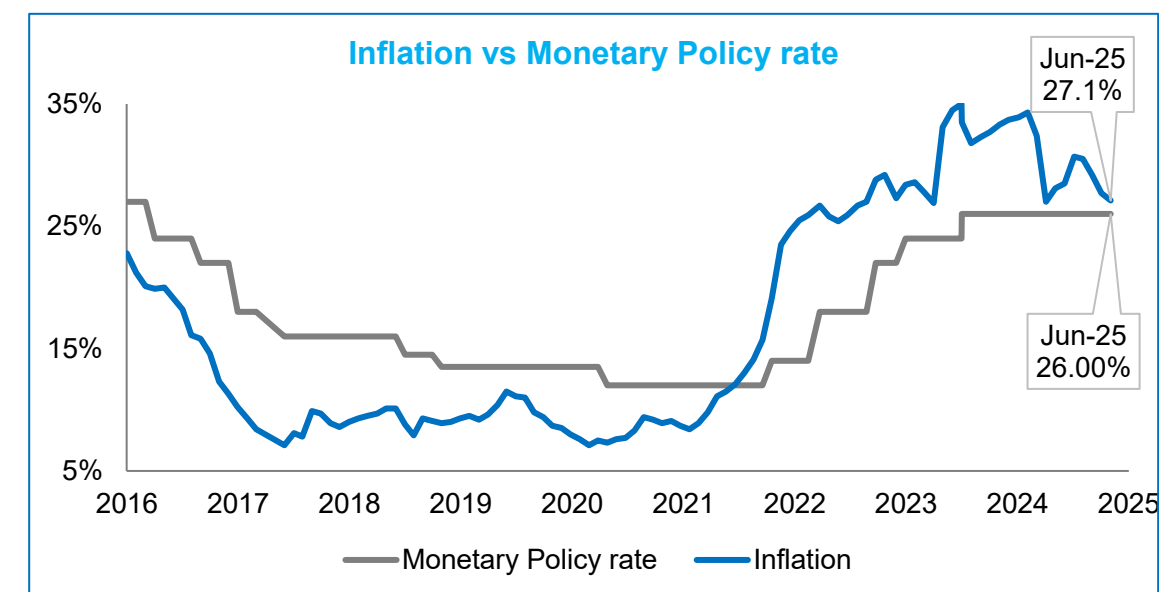
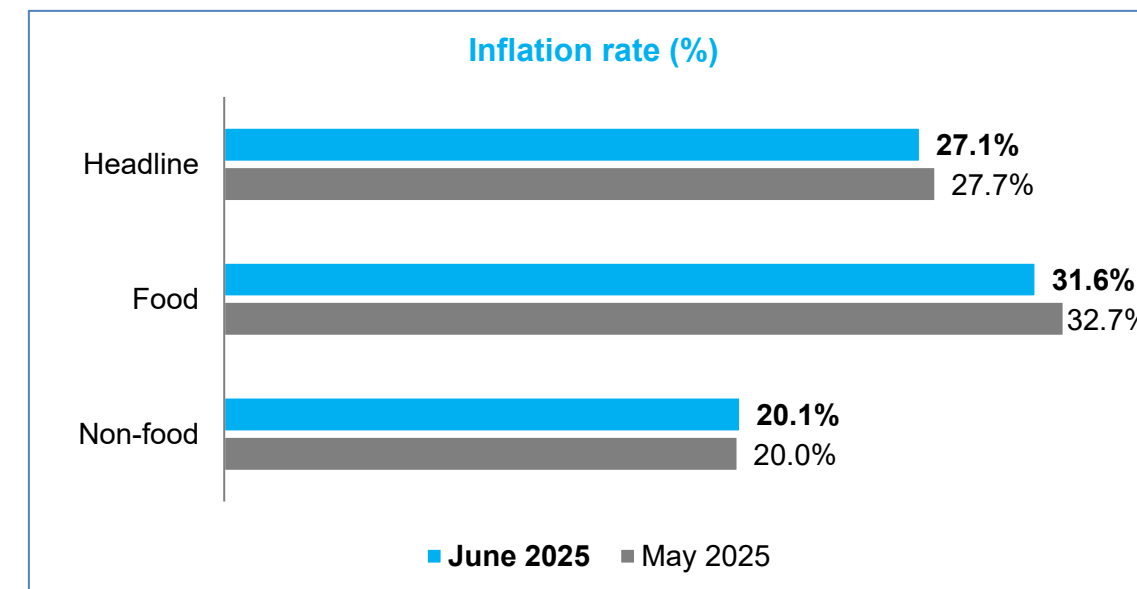
Monetary Policy (Source: RBM, Oxford Economics, NBM)

The Monetary Policy Committee (MPC) held its third meeting of 2025 on 30 and 31 July. 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 MPC resolved to maintain the current monetary policy stance, considering it appropriately tight under prevailing macroeconomic conditions. While inflation has begun to moderate to 27.1% in June 2025 from 30.7% in February 2025, the Committee views sustained monetary policy restraint as still necessary to guide inflation towards its medium-term objective of 3% to 7%. The Committee reiterated the importance of fiscal consolidation and complementary structural and supply-side measures, including increased support to productive and export-oriented sectors to reinforce the effectiveness of monetary policy and sustain economic recovery.

Oxford Economics forecasts a potential rise in inflation, reaching 33.3% year-on-year in Q2 2026, before easing to 28.9% by Q4 2026, due to continued pressure on the local currency alongside the monetary financing of the fiscal deficit. In this context, Oxford Economics anticipates the RBM will maintain the policy rate at 26% through 2025 and 2026.

The commercial bank reference rate for August 2025, effective 5 August 2025, has been set at 25.40%, representing an increase from the July 2025 rate of 25.30%.





Economic Overview (Continued)

Foreign Exchange Market and Reserves Position

In May 2025, the country's total foreign exchange reserves declined to USD521 million from USD530 million in April 2025.

In the view of the World Bank, the official foreign exchange reserves remain critically low due to limited exchange-rate flexibility and ongoing sales to authorized dealer banks.

Foreign Exchange Market (Source: RBM, Oxford Economics)

Based on the closing middle rates, the Malawi Kwacha was stable as it traded at MK1,750.58/USD as of 31 July 2025 from MK1,750.48/USD as of 30 June 2025. During the same period last year, the Malawi Kwacha traded at MK1,749.95/USD as of July 2024, from MK1,749.51/USD as of June 2024. The MPC observed that the bureau cash rate also remained relatively steady at MK1,937.41/USD as of 30 June 2025. The Committee observed that foreign exchange supply improved during the agricultural marketing season, while demand remained high.

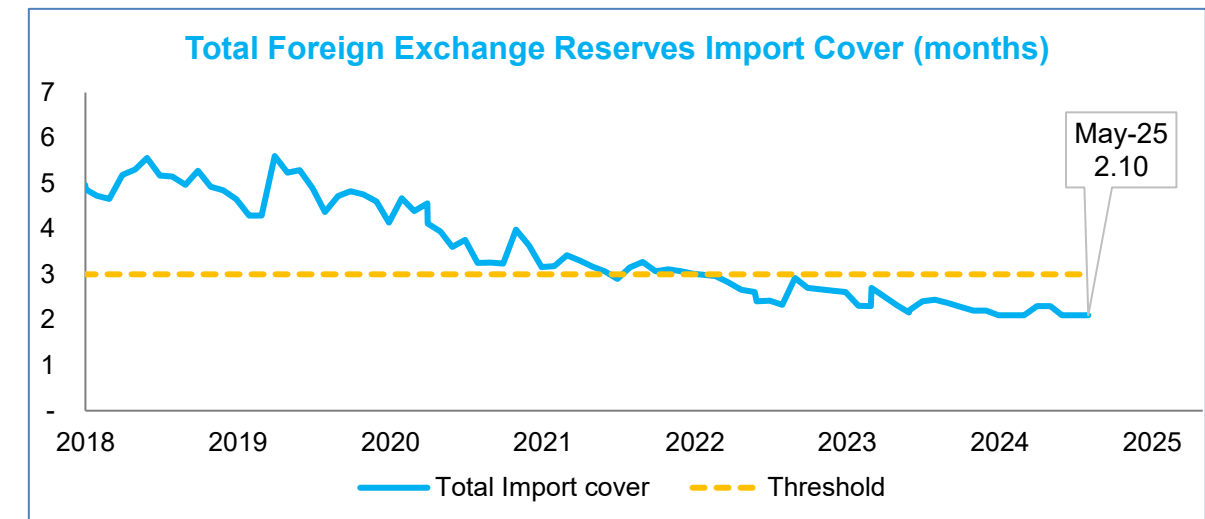
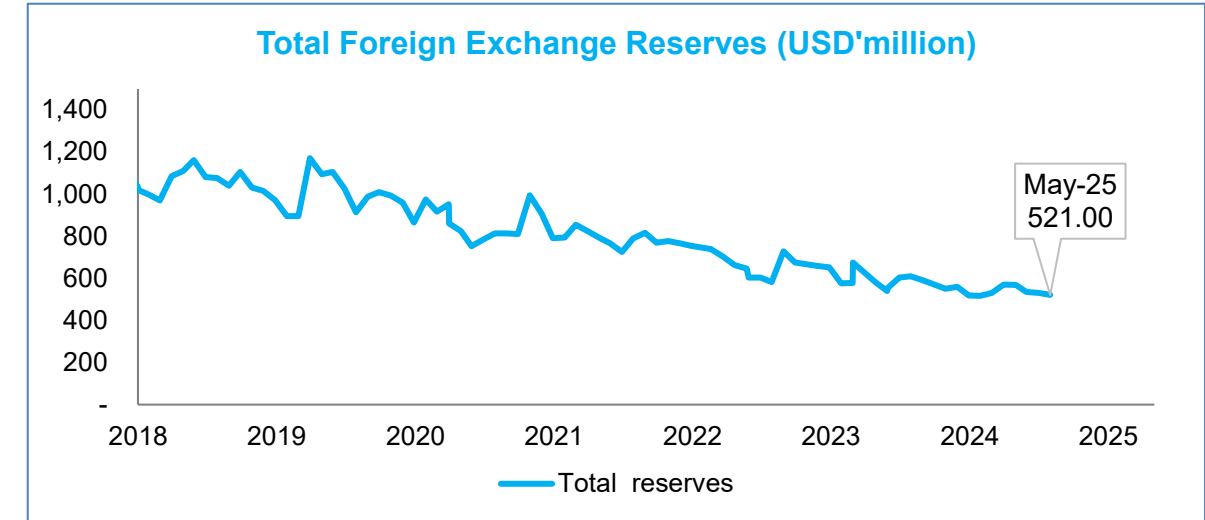
Oxford Economics sees sustained pressure on the local currency driven by external debt obligations, low foreign exchange reserves, and the recent loss of the United States Agency for International Development (USAID) funding. This is also compounded by the IMF's preference for a more flexible, market-determined exchange rate, as the Malawian government is noted to have expressed interest in negotiating a new deal with the IMF once elections conclude in September.

Foreign Exchange Reserves Position (Source: RBM, WB)

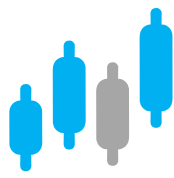
In May 2025, the country's total foreign exchange reserves declined by 1.7% to USD521 million from USD530 million in April 2025. The import cover remained at 2.1 months in May 2025. In May 2024, the total foreign exchange reserves were at USD600 million, translating to 2.4 months of import cover.

In the view of the World Bank, the official foreign exchange reserves remain critically low due to limited exchange-rate flexibility and ongoing sales to authorized dealer banks. Since the November 2023 devaluation, the RBM has maintained a largely stable official exchange rate, with the spread between the bureau rate and official rate sitting at about 10–12%. However, the gap between the parallel-market and official rates has widened significantly, reportedly peaking at over 150% in early 2025. The World Bank states that foreign exchange market distortions, combined with structural issues and a widening trade deficit, have drained reserves. Additionally, the RBM has been a net seller of foreign exchange. Since 2019, it has sold USD2.9 billion to authorized dealer banks while only purchasing USD2.4 billion.

The Minister of Finance and Economic Affairs, in exercise of the powers conferred by section 1 of the Foreign Exchange Act 2025, appointed 1 July 2025 as the date on which the Foreign Exchange Act shall come into force. The new Act replaces the repealed Exchange Control Act. It consolidates previous legislation and court rulings, strengthens the Reserve Bank of Malawi's authority to enforce foreign exchange regulations, retains the Finance Minister's role in setting policy, and enhances the RBM's ability to monitor cross-border financial flows.



	April 2025	May 2025	Month-on-month change (%)
Total Reserves (USD'millions)	530.0	521.0	-1.7%
Total import cover (months)	2.1	2.1	0.0%



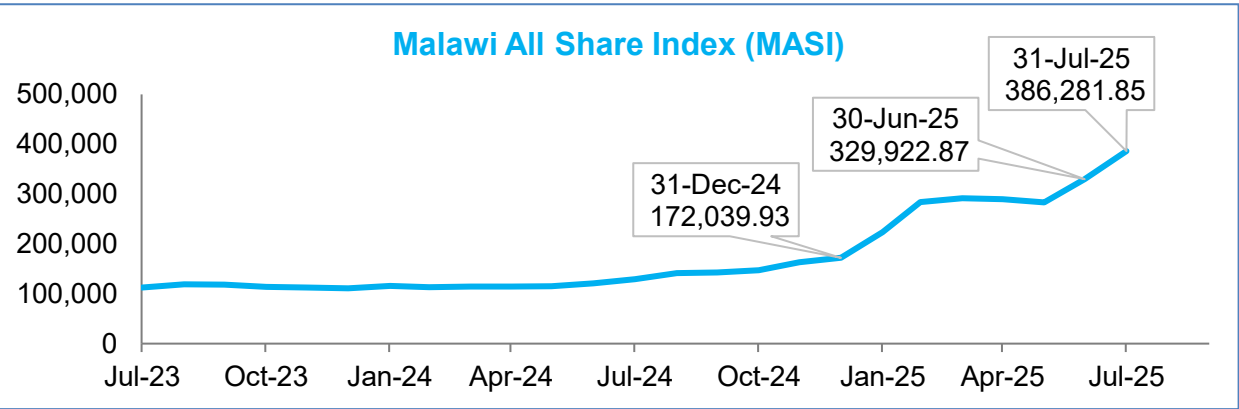
Stock Market

The stock market was bullish in July 2025, with the MASI rising to 386,281.85 points from 329,922.87 points in June 2025. This brought the MASI year-to-date return to 124.53% in July 2025.

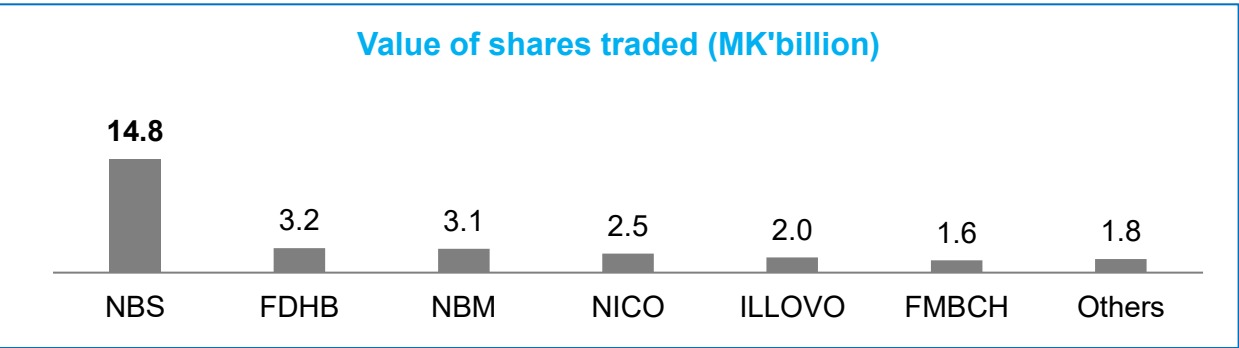
The total value of shares traded on the Malawi Stock Exchange in July 2025 was MK28.8 billion, with NBS leading in value of shares traded at MK14.8 billion.

Stock Market Performance (Source: MSE)

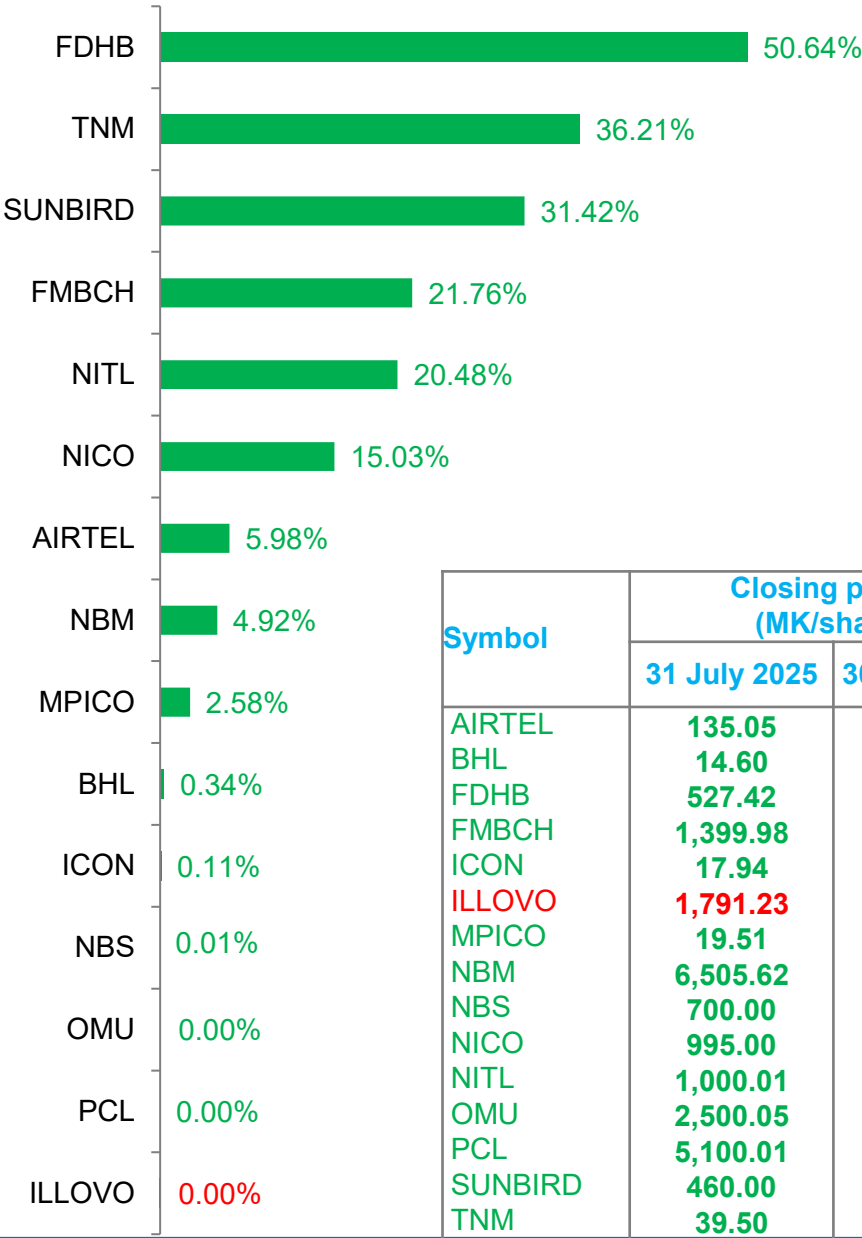
The stock market was bullish in July 2025, with the Malawi All Share Index (MASI) rising by 17.08% to 386,281.85 points from 329,922.87 points in June 2025. This brought the MASI year-to-date return to 124.53% in July 2025. In July 2024, the year-to-date return was 16.26%. FDHB recorded the highest share price gain in July 2025, rising by 50.64% to close the month at MK527.42, having opened at MK350.11. TNM, SUNBIRD, FMBCH, NITL, NICO, AIRTEL, NBM, and MPICO also recorded significant share price gains in the month. There was a marginal share price loss for ILLOVO during the period under review.



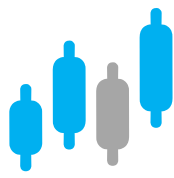
The number of trades on the MSE increased significantly, rising by 56.1% to 4,501 in July 2025 from 2,883 in June 2025. The value of shares traded increased by 14.1% to MK28.8 billion in July 2025, from MK25.3 billion in June 2025. NBS had the highest value of shares traded at MK14.8 billion in July 2025.



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



Symbol	Closing prices (MK/share)	
	31 July 2025	30 June 2025
AIRTEL	135.05	127.43
BHL	14.60	14.55
FDHB	527.42	350.11
FMBCH	1,399.98	1,149.83
ICON	17.94	17.92
ILLOVO	1,791.23	1,791.29
MPICO	19.51	19.02
NBM	6,505.62	6,200.37
NBS	700.00	699.91
NICO	995.00	865.00
NITL	1,000.01	830.00
OMU	2,500.05	2,500.03
PCL	5,100.01	5,100.00
SUNBIRD	460.00	350.01
TNM	39.50	29.00



Economic Overview (Continued)

Corporate Announcements from Publicly Listed Companies

Standard Bank Malawi Plc executed a share split on the Malawi Stock Exchange (MSE) on 21 July 2025, subdividing each ordinary share of the Company into five ordinary shares, and hence changing its share price to MK2,140 from MK12,050.

Published Trading Statements (Source: MSE)

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.

Counter	30 June 2025 (MK'billions)	30 June 2024 (MK'billions)	Trading Statement Profit/Loss Expectation
BHL	3.4 - 3.5	(0.8)	529% - 549%
FDHB	57.8 - 60.8	27.9	107% - 118%
FMBCH (USD)	70.0 - 74.0	46.8	50% - 58%
ICON	11.0 - 13.0	9.7	18% - 33%
MPICO	7.2 - 8.0	5.7	26% - 40%
NBM	77.9 - 84.1	42.1	85% - 100%
NBS	70.6 - 73.8	32.6	117% - 126%
NICO	115.0 - 125.0	49.0	135% - 155%
NITL	79.5 - 80.5	4.3	1,742% - 1,765%
PCL	89.3 - 96.0	45.3	97% - 112%
TNM	7.8 - 8.3	2.3	246% - 266%

Annual/Extraordinary General Meetings (Source: MSE)

The following companies have scheduled Annual and Extraordinary General Meetings in August 2025.

Counter	Venue	Date	Time
NICO	Sunbird Mount Soche, Blantyre	5 August 2025	10:00 hrs
ILLOVO*	Sunbird Mount Soche, Blantyre	19 August 2025	14:00 hrs

* - Extraordinary General Meeting

Dividend Announcements (Source: MSE)

Below are the latest updates on dividend announcements by publicly listed companies

Counter	Dividend Type	Proposed/ Declared	Dividend Per Share (MK)	Last Day to Register	Payment Date
FMBCH	Interim	Declared	0.43 cents	1 August 2025	15 August 2025
SUNBIRD	Final	Declared	10.50	1 August 2025	15 August 2025
NBS	Final	Declared	1.50	8 August 2025	26 August 2025
NITL	Final	Declared	4.30	TBA	TBA
ICON	Final	Declared	0.15	TBA	TBA
NICO	Final	Proposed	4.00	TBA	TBA

TBA - to be announced

Other Announcements (Source: MSE, Published Media)

- On 21 July 2025, Standard Bank Malawi Plc executed a share split on the Malawi Stock Exchange (MSE), subdividing each ordinary share of the Company into five ordinary shares, and hence changing its share price to MK2,140 from MK12,050. This was an initiative taken to increase accessibility of the shares to a broader base of investors, and it expanded the bank's ordinary shares from approximately 235 million to over 1.17 billion without changing the company's market capitalization.
- FDH Bank Plc has entered into a definitive agreement with Ecobank Transnational Incorporated for the acquisition of a controlling stake of 98.87% in Ecobank Mozambique SA. The acquisition will be fully financed from FDH Bank Plc's retained earnings. The transaction has received all the necessary regulatory approvals and is expected to be completed within the 2025 financial year.
- Illovo Sugar Malawi Plc (ISM) will hold an Extraordinary General Meeting (EGM) on 19 August 2025 to seek approval of a USD45 million shareholder loan from Sucoma Holdings Limited, with an option for an additional USD15 million. The loan will be used to settle part of a USD72 million intercompany trade payable balance. ISM can choose when to repay the loan, based on its financial health and availability of US dollars. The loan is interest-free unless ISM pays out 25% or more of its Free Cash Flow as dividends or similar payments to shareholders. In that case, ISM must pay a return of 5% above the 12-month Term Secured Overnight Financing Rate (SOFR). There are no covenants or collateral (security) required for this loan.
- Press Corporation Plc's (PCL) exclusive negotiations for the potential sale of its shareholding interest in Malawi Telecommunications Limited (MTL) are still ongoing.



Fiscal Policy and Government Securities

In the view of the World Bank, the 2025/26 budget is poised to maintain a trajectory of high spending, influenced by election-year pressures.

As per Oxford Economics, consecutive fiscal deficits, along with high-interest payments on debt, limit the government's ability to allocate funds for development expenditure

The government awarded MK557.57 billion through Treasury Bill (TB) and Treasury Note (TN) auctions in July 2025, a 16.4% decrease from the MK667.16 billion awarded in June 2025.

Fiscal Policy (Source: World Bank, Oxford Economics)

The World Bank noted that in the fiscal year (FY) 2024/25, the government deviated from its approved budget, leading to overspending and revenue shortfalls. In its view, the 2025/26 budget is poised to maintain a trajectory of high spending, influenced by election-year pressures. The approved budget anticipates a deficit of 9.2% of GDP, driven by high spending and based on optimistic macroeconomic assumptions (3.4% GDP growth and 22.3% inflation for FY 2025/26). However, several economic challenges may impact these assumptions, including ongoing shortages of critical inputs, a fragile agricultural recovery, and reduced external assistance. Regarding the public debt situation, Malawi has made progress with official bilateral creditors, but agreements with external commercial creditors are proceeding slowly. The World Bank highlights that further delays in finalizing the restructuring will exacerbate the government's financing challenges.

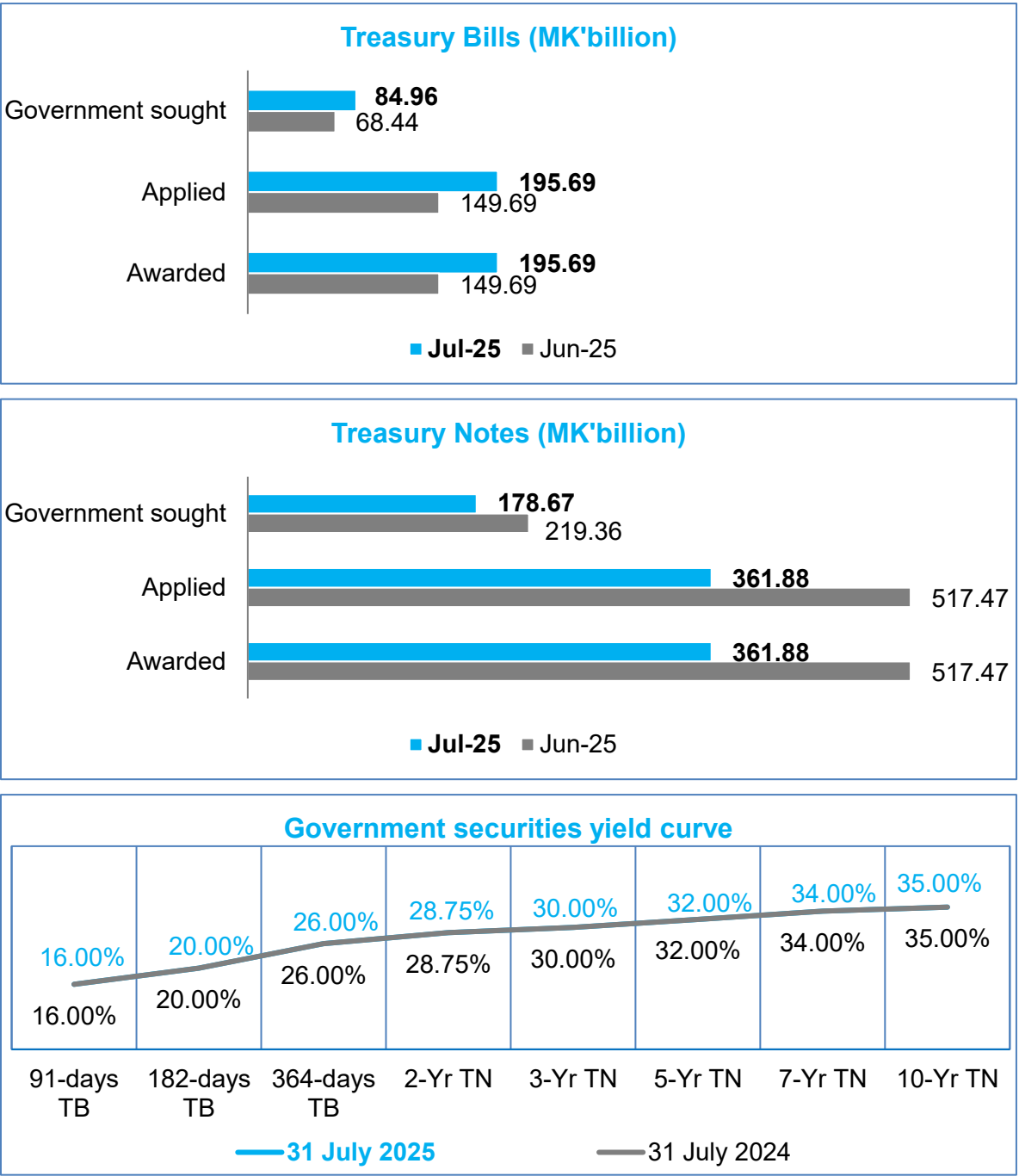
According to Oxford Economics, consecutive fiscal deficits, along with high-interest payments on debt, limit the government's ability to allocate funds for development expenditure. More funding from the IMF and the World Bank could help entice other international donors to provide financial support. Unfortunately, the IMF's termination of its loan programme in May 2025 will do little to instil confidence among prospective donors. A new arrangement with the IMF following the September elections may remedy this problem. However, Malawi has a weak track record in servicing its debt and implementing the necessary reforms to avert future crises. Oxford Economics advises that the government needs to institute reforms that combat corruption and promote good governance to build a reputation for managing its finances prudently.

Government Securities (Source: RBM)

The government sought to borrow MK263.6 billion through Treasury Bill (TB) and Treasury Note (TN) auctions in July 2025. This is 8.4% lower than the MK287.8 billion sought in June 2025. Overall, participants applied for MK557.57 billion, which was all awarded, representing a 16.4% decrease from the MK667.16 billion awarded in June 2025. The graphs on the right show the breakdown between TBs and TNs in July 2025 compared to June 2025. In July 2025, all the TB and TN auctions had a nil rejection rate.

Government Securities Yield Curve

As of 31 July 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 20.67% as of 31 July 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 July 2024.





Commodities Market Developments

New U.S. tariffs on Chinese graphite imports have reshaped global supply chains, underscoring the strategic value of the Kasiya Project in Malawi, which could potentially become the world's largest and lowest-cost natural graphite producer outside of China.

African Minerals and Steel Limited has secured a 15-year medium-scale mining license to extract limestone at Uliwa in Karonga.

Local Maize Price Developments (Source: IFPRI)

In June 2025, maize prices rose by 8% to MK1,031/kg (MK51,550 for a 50kg bag), from MK951/kg (MK47,550 for a 50kg bag) in May 2025, as the peak harvest period in May continues to help ease prices. While the June price remains slightly below the government-set minimum farmgate price of MK1,050/kg, it is 36.02% higher than in June 2024, when maize sold for MK758/kg (MK37,900 for a 50kg bag).

Tobacco Auction Developments (Source: AHL)

As of 31 July 2025, the cumulative value of tobacco sold was USD460 million, generated from a cumulative 180.52 million kilograms (kgs), which have been sold at an average price of USD2.55/kg. In contrast, as of 31 July 2024, the cumulative value of tobacco sold stood at USD394.30 million, generated from a cumulative 132.52 million kgs sold at an average price of USD2.98/kg.

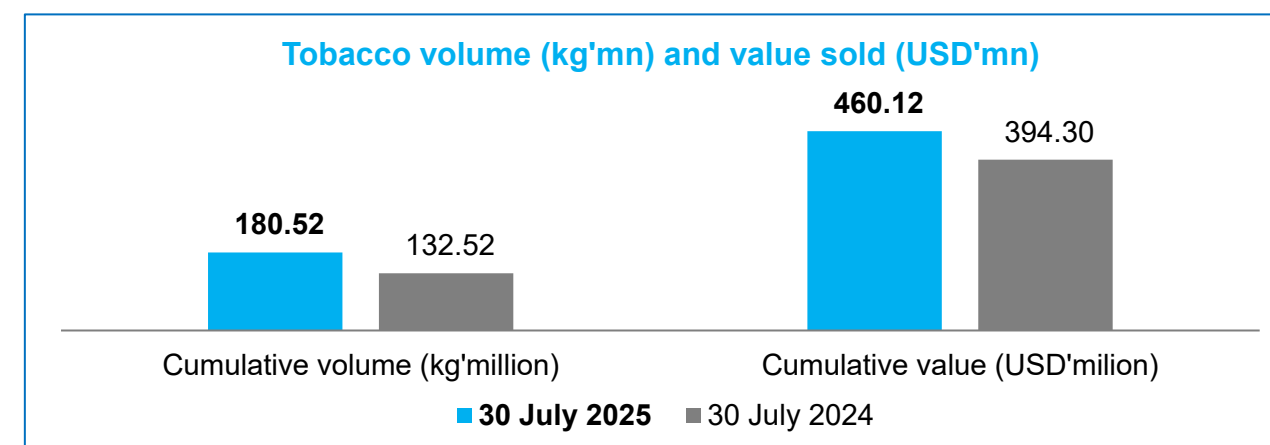
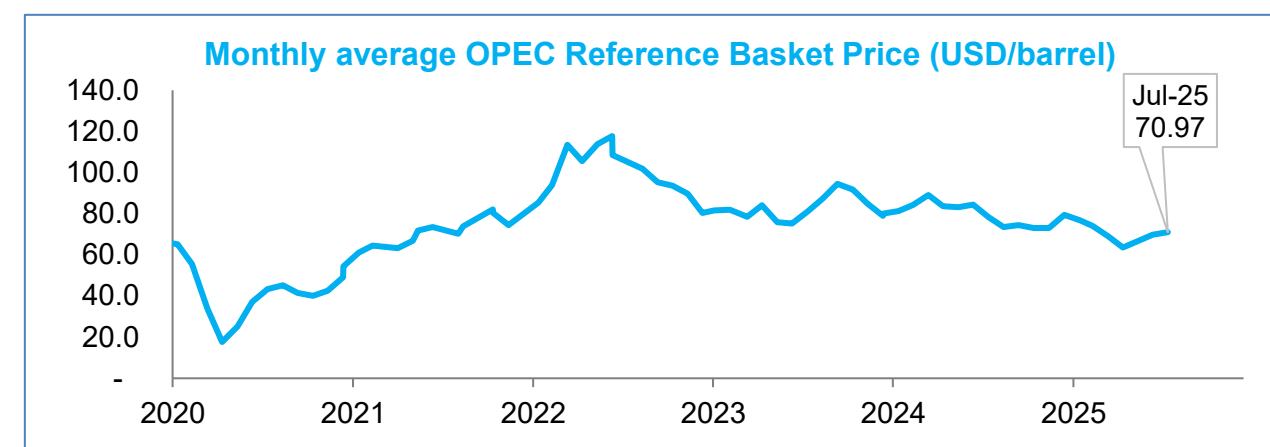
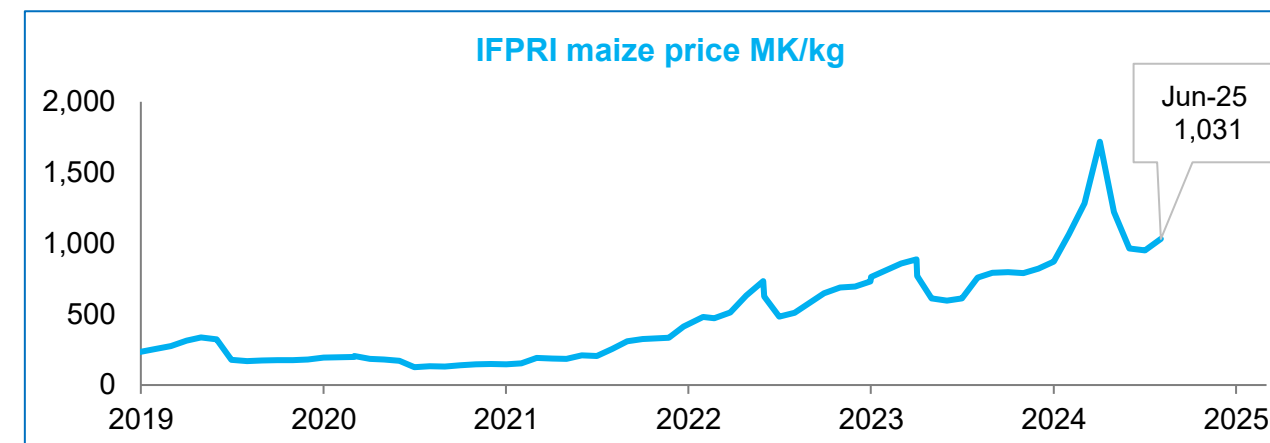
Local Mining Industry Developments (Source: Published Media)

New U.S. tariffs on Chinese graphite imports have reshaped global supply chains, underscoring the strategic value of the Kasiya Project in Malawi. Sovereign Metals recently announced successful test results for converting its natural graphite into high-performance coated spherical purified graphite (CSPG), a critical material for lithium-ion batteries. The test work confirmed Kasiya's graphite meets premium industry standards, with high discharge capacity and first-cycle efficiency – key performance metrics for anode materials. Sovereign Metals is developing Kasiya to potentially become the world's largest and lowest-cost natural graphite producer outside of China. The company is advancing offtake discussions with leading anode manufacturers and ramping up pilot-scale production to support qualification and commercialization efforts.

African Minerals and Steel Limited has secured a 15-year medium-scale mining license to extract limestone at Uliwa in Karonga. The rollout, pending final clearance from the Malawi Environmental Protection Authority (MEPA), is expected to create over 200 jobs across the mine site and a new processing facility in Mzuzu. The company has already procured a modern plant from China and plans to produce construction and agricultural lime locally, reducing Malawi's dependence on imports.

Global Oil Price Developments (Source: OPEC)

The average OPEC reference basket price increased by 1.8% month-on-month to USD70.97/barrel in July 2025 from USD69.73/barrel in June 2025 and declined by 15.9% year-on-year from USD84.43/barrel in July 2024. The global oil demand growth forecast for 2025 remains at 1.3 mb/d, year-on-year.





Other Market Developments

The Reserve Bank of Malawi unveiled the 2025 Projects Compendium to showcase high-impact projects in priority sectors to drive job creation, import substitution, and export diversification.

Rukuru Power Company is seeking a USD146.4 million term loan to build a 100MW coal-fired power plant in Rumphi, to provide reliable baseload power to the country's national grid.

Energy Infrastructure and Power Projects

Local firm Rukuru Power Company says it is seeking a term loan of USD146.4 million to finance the construction of a 100-megawatt (MW) coal-fired power plant in Rumphi, the first phase of a planned 250MW project aimed at providing reliable baseload power to Malawi's national grid. The Managing Director of Rukuru Power Company explained that while the financial indicators for the project such as an Internal Rate of Return (IRR) of 10.2%, a net present value of USD27.8 million and a 10.8-year payback period demonstrate its feasibility, closing the financing gap remains a critical problem amid the shifting of the global financing landscape for coal-based infrastructure. The plant will use locally sourced coal, and key agreements are already in place with the Ministry of Energy and the Electricity Supply Corporation of Malawi (ESCOM). He argues that this is a viable and strategic investment that will provide dependable electricity to support Malawi's economic development. Malawi's other planned coal-fired power plant, Kamwamba in Neno, is also seeking financing after feasibility studies were completed.

The Malawi-Mozambique Power Interconnection Project has received a USD2.15 million (approximately MK3.8 billion) grant to update its feasibility and environmental and social impact studies for a 400-kilovolt (kV) transmission line linking Tanzania's Iganjo Substation to Malawi's Nkhoma Substation. The project, expected to feed 50 megawatts (MW) into Malawi's grid, aims to boost energy stability and regional connectivity.

Trade and Export Developments

The United Kingdom (UK) has introduced new trade reforms under the Developing Countries Trading Scheme (DCTS) that will simplify market access for Malawi and other African nations. Key changes include relaxed rules of origin, allowing Malawian exporters to source inputs continent-wide while retaining tariff-free access to the UK. The reforms aim to boost UK-Africa trade, support intra-African commerce, and contribute to poverty reduction. The UK will also offer targeted support to help exporters meet standards and navigate customs.

According to the Tea Association of Malawi (TAML), Malawi's tea industry continues to face export market setbacks due to low production volumes and quality challenges. Despite this year's output exceeding 45 million kilograms (kgs), prices remain stagnant at USD1.15 to USD1.20 per kilogram as competitors like Kenya expand their dominance. As a landlocked country, high transport costs further undermine Malawi's competitiveness. Tea is the country's second-largest export crop, contributing 8% to export earnings and 11% to employment. Experts stress the need for quality improvement, investment in irrigation, and standardization to meet global market requirements.

Investment and Industrial Projects

The Reserve Bank of Malawi unveiled the 2025 Projects Compendium, a curated portfolio of investment projects aimed at catalyzing financing in key sectors aligned with Malawi Vision 2063. The compendium highlights viable initiatives across agriculture, mining, energy, health, tourism, and manufacturing sectors – many of which target import substitution, export diversification, and job creation. Some of the flagship projects include:

- **Greenbelt Authority (GBA) - MUSECO Seed Multiplication Project:** A climate-resilient seed production initiative projected to generate a 46% IRR and create over 450 jobs annually.
- **LUANAR Fertilizer Manufacturing Plant:** A USD30 million investment to reduce fertilizer imports by 50% by 2030, equipped with advanced research and laboratory units to develop fertilizers tailored to Malawi's diverse soil types and nutrient needs.
- **GBA and Medigrow Medicinal Hemp Project:** Targeting export revenues of USD61 million per year through greenhouse-based hemp cultivation.
- **Centre of Excellence in Pharmaceutical Manufacturing (CEPRM):** A state-of-the-art facility to localize the production of IV fluids, antibiotics, and vaccines, expected to reduce Malawi's drug import bill by over USD10 million annually.
- **Bwanje Ethanol Distillery Project:** A USD63 million venture to boost ethanol production from cassava and sugarcane, supporting energy diversification and forex savings.

The RBM Governor remarked that in the wake of shifting global priorities and declining development aid, it is only imperative that Malawi's development financing now looks more inward for resources, augmented by development partners. He noted that Malawi's banking, pension, and life insurance sectors collectively boast of MK12.9 trillion in funding resources that, if strategically realigned, could effectively support large-scale projects across the key sectors.

Tourism and Cultural Developments

According to the Minister of Tourism, the Malawi Tourism Authority is set to become operational by the end of August 2025, following the recent enactment of the Tourism Act 2025. The new authority will handle tourism marketing, product development, licensing, and fund management, while the Ministry of Tourism will focus on policy.

The United Nations Educational, Scientific and Cultural Organisation (UNESCO) has declared Mulanje Mountain a World Heritage Site, recognizing its exceptional natural and cultural significance. The mountain's new status is expected to bolster conservation efforts amid threats like proposed bauxite mining.

An Overview of the 21st Malawi Economic Monitor by the World Bank

July 2025





According to the World Bank, although Malawi has experienced frequent external shocks, its challenges have been compounded by a procyclical fiscal policy stance, an overvalued official exchange rate, unsustainable borrowing practices, increasing trade restrictions, and price controls.

In the World Bank's assessment, tobacco has a negative market development gap, indicating a saturated or declining market and highlighting the need to diversify or adjust marketing strategies.

Introduction

The Malawi Economic Monitor (MEM), July 2025, is the 21st edition in a semi-annual series by the World Bank that analyzes recent economic developments, challenges, and policy priorities in Malawi. This edition highlights the country's ongoing macroeconomic crisis, marked by high inflation, food insecurity, and fiscal imbalances, while also exploring opportunities for structural reform and investment-driven growth.

Global and Regional Context

The World Bank notes that the global economy is facing significant volatility, as heightened policy uncertainty is adversely impacting growth prospects. Global economic growth is projected to decelerate to 2.3% in 2025 from 2.8% in 2024. While inflation is expected to ease to 4.3% from 5.7% over the same period, there is uncertainty about its trajectory.

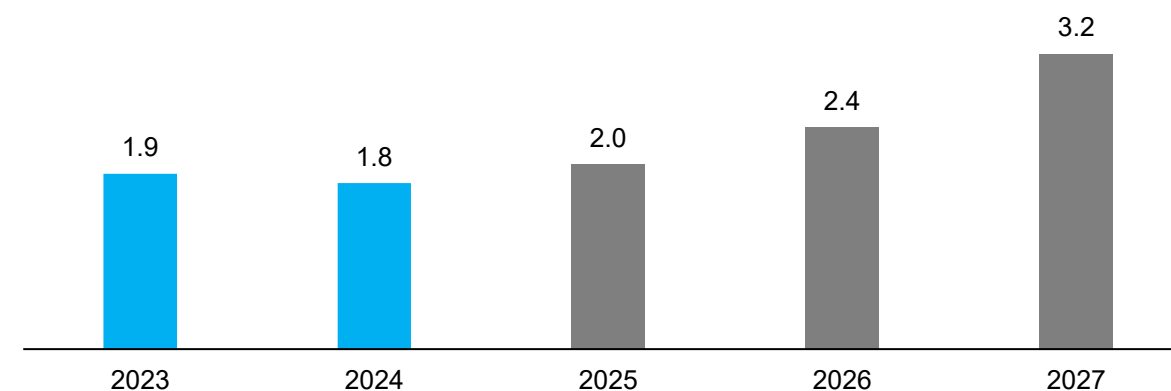
In Sub-Saharan Africa, economic growth is projected to rise to 3.7% in 2025 from 3.5% in 2024, but remains subdued relative to earlier expectations, reflecting a constrained macroeconomic environment. Elevated public debt levels, high interest burdens, and increased debt-servicing costs continue to limit fiscal space. This spurs the need for fiscal consolidation, even as pressing financing requirements persist amid a decline in international development assistance. Elevated bond yields in advanced economies are likely to exacerbate the diversion of global financial flows away from Sub-Saharan Africa, compounding the strain on the region's macroeconomic environment. Moderating inflation across many African economies would present an opportunity for central banks to lower policy rates, potentially bolstering domestic consumption and investment.

Recent Economic Developments

The World Bank reports that Malawi's economy remains under significant strain, with decreasing per capita incomes and rising food insecurity. Economic growth rates have dropped from an average of 4.1% (2011 – 2019) to 2.2% since 2020. This economic growth rate is below the population growth rate of 2.6%, resulting in declining incomes for the average Malawian. In 2024, economic output growth further slowed to 1.8%, influenced by an El-Niño-induced drought and continued foreign exchange shortages.

The World Bank says that while Malawi has experienced frequent external shocks, such as cyclones and drought, its subdued economic performance has been driven by policy choices across successive governments. Unlike neighbouring countries that have generally recovered much more rapidly from similar shocks, Malawi's challenges have been compounded by a procyclical fiscal policy stance, an overvalued official exchange rate, unsustainable borrowing practices, increasing trade restrictions, and price controls.

Malawi annual real GDP growth (%)



Source: World Bank Malawi Economic Monitor, July 2025

The World Bank notes that exchange rate distortions have grown, with the spread between bureau and official rates hovering around 10–12%. In comparison, the parallel-market premium reportedly surged to over 150% in early 2025. The government's economic reform program, supported by the International Monetary Fund (IMF) Extended Credit Facility and development partner support, was launched in November 2023 to restore macroeconomic stability. However, program implementation faced numerous challenges and was unable to stabilize the economy, resulting in its automatic termination in May 2025.

The 2025 tobacco marketing season is expected to underwhelm, as lower prices drag down revenues. As tobacco remains the country's top foreign exchange earner, the decline in sales is concerning, especially since the country's official foreign reserves currently cover less than one month of imports. Moreover, in the World Bank's assessment, tobacco has a negative market development gap, indicating a saturated or declining market and highlighting the need to diversify or adjust marketing strategies.

As per the World Bank, food insecurity is worsening, driven by climate shocks, weak investment in resilient agriculture, and limited access to foreign exchange for the importation of food and agricultural inputs. Since the 2022/23 cropping season, staple grain production has consistently fallen short of domestic needs. The latest crop estimates predict maize production at around 2.9 million metric tons (MT) for the 2024/25 season, below the national requirement of at least 3.3 to 3.5 million MT, indicating that many Malawians will face food shortages later this year.



The World Bank notes that Malawi's private sector is facing a challenging business environment, with the impacts of deteriorating macroeconomic conditions and acute input shortages further strained by restrictive trade policies.

Mining projects may generate up to 5% of GDP in government revenue by 2033, but the expected fiscal benefits of mining development will likely require between five and ten years to materialize and are subject to considerable uncertainty.

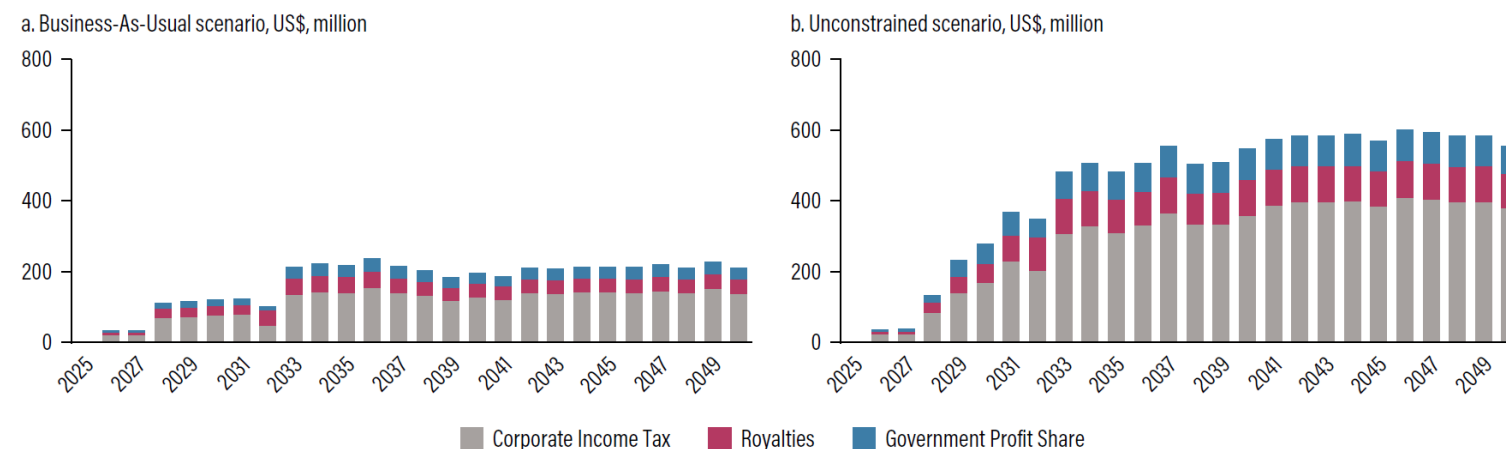
Recent Economic Developments (Continued)

As outlined in the MEM, Malawi's private sector is facing a challenging business environment, with the impacts of deteriorating macroeconomic conditions and acute input shortages further strained by restrictive trade policies. Foreign exchange shortages result in increased costs for exporters, while implicitly subsidizing importers with access to foreign currency at the official rate. They further disincentivize investment in export-oriented sectors. Operational costs are further strained by load-shedding and fuel shortages. The high cost of borrowing also limits investment and expansion opportunities. Despite easing some emergency measures, a long-term solution to address structural foreign exchange market challenges has yet to be implemented. The tobacco and macadamia harvests have neither significantly bolstered foreign exchange reserves nor reduced the exchange rate differential between the official and the parallel market.

Meanwhile, progress on large-scale mining projects has continued. However, in the World Bank's assessment, the expected fiscal benefits of mining development will likely require between five and ten years to materialize and are subject to considerable uncertainty. According to new World Bank estimates, government revenues from mining could reach up to 5% of GDP by 2033, contingent on the completion of specific high-risk projects and whether the government can successfully capture revenues in line with the existing statutory fiscal framework. Most of these revenues would come from corporate income tax, supplemented by royalties and profit sharing. The World Bank notes that while useful to alleviate fiscal and foreign-exchange constraints, the projected fiscal revenue in the "unconstrained" scenario (equal to approximately 5% of GDP) would be significant but not transformative.

According to the World Bank, fiscal imbalances are becoming more pronounced due to expenditure overruns and revenue shortfalls, increasing the need for borrowing and deepening current account imbalances. In the fiscal year (FY) 2024/25, revenues fell below the budgeted 22.1% of GDP to 20.2% of GDP due to overly ambitious projections and delays in implementing tax policy measures, while expenditures overshot the approved 29.1% of GDP to 30.7% of

Malawi projected government revenue



Source: World Bank Malawi Economic Monitor, July 2025

GDP is due to increased allocations to development projects and a higher-than-anticipated increase in civil service wages. This pushed the fiscal deficit to 10.5% of GDP, well above the 7.0% target, placing Malawi among Africa's highest deficit countries. These are largely financed by costly domestic borrowing, with interest payments on domestic debt reaching 7.0% of GDP in 2024, consuming 45.8% of domestic revenue and crowding out public investments and social spending.

In the World Bank's view, the 2025/26 budget is poised to maintain a trajectory of high spending, influenced by election-year pressures. The approved budget anticipates a deficit of 9.2% of GDP, driven by high spending and based on optimistic macroeconomic assumptions (3.4% GDP growth and 22.3% inflation for FY 2025/26). However, several economic challenges may impact these assumptions, including ongoing shortages of critical inputs, a fragile agricultural recovery, and reduced external assistance. The World Bank forecasts GDP growth at 2.0% for 2025 and inflation to remain elevated above 30%. Despite historical challenges in revenue collection, the budget aims to increase tax revenue to 16.2% of GDP. Expenditures are expected to total 30% of GDP, with domestic interest payments expected to consume 50.2% of tax revenue in FY2025/26. If these targets are not met, the fiscal deficit may again surpass 10% of GDP, especially given the historical trend of deficits significantly exceeding approved budgets during election years.

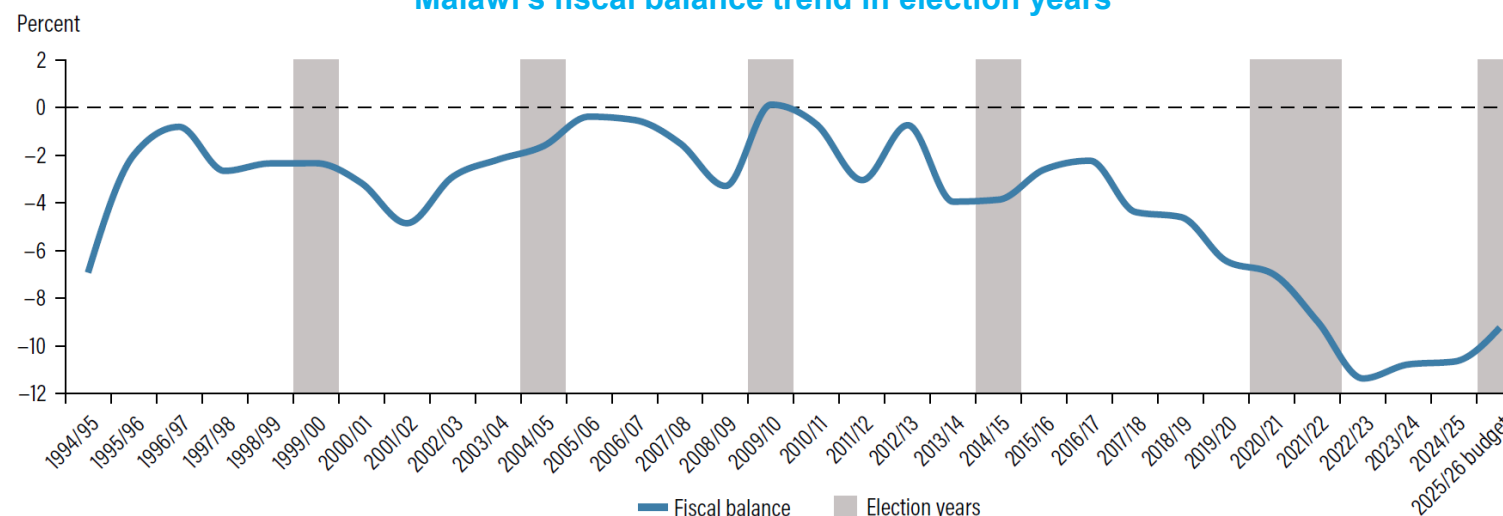
Meanwhile, Malawi's public debt situation remains challenging, with the restructuring of external commercial debt, initiated in 2022, still unresolved. The forthcoming joint World Bank/IMF 2025 Debt Sustainability Analysis (DSA) classifies Malawi's external and overall public debt as "in distress". While Malawi has made progress with official bilateral creditors, agreements with external commercial creditors, especially Afreximbank and the Trade and Development Bank, are proceeding slowly. Further delays in finalizing the restructuring will exacerbate the government's financing challenges.



The banking sector exhibits resilience, though credit vulnerabilities and sovereign risks are rising. Their profitability is driven by high levels of government borrowing, while credit allocation to the private sector has declined in inflation-adjusted terms over the past years.

The World Bank advises that creating conditions for growth will require urgent reforms in restoring macroeconomic stability, supporting investment and export growth, and building resilience and protecting the poor.

Malawi's fiscal balance trend in election years



Source: World Bank Malawi Economic Monitor, July 2025

Recent Economic Developments (Continued)

In 2024, Malawi's current account deficit reached 22.0% of GDP, driven by declining export competitiveness and persistent fiscal deficits. The trade deficit increased by 27.0% in the first quarter of 2025 compared to the same period in 2024. In May 2025 alone, imports were 9 times higher than exports. The World Bank warns that, if this trend continues, the country may face an even larger trade imbalance by the end of 2025. The World Bank also asserts that foreign exchange market distortions, combined with structural issues and a widening trade deficit, have drained reserves. Currently, official reserves cover less than one month of import cover, while economy-wide reserves cover 2 to 2.5 months. The RBM has been a net seller of foreign exchange in recent months.

According to the World Bank, inflation remains elevated, influenced by high food prices, exchange rate dynamics, and monetary expansion fueled by high fiscal deficits. In early 2025, a spike in maize prices and continued high money supply growth to support large fiscal deficits pushed inflation to over 30% after a slight decline at the end of 2024. This was compounded by inadequate foreign exchange in the official market, resulting in increased activity and a depreciation of the kwacha in the parallel market, further contributing to inflationary pressures. By May 2025, inflation had moderated to 27.7%, driven by a decline in food inflation at the start of the harvesting period, though non-food inflation remained elevated. The World Bank says the strong correlation between money growth and inflation suggests that fiscal deficits are a key source of inflationary pressure. Continued expansionary fiscal policy has constrained the ability of the Reserve Bank of Malawi (RBM) to effectively bring inflation under control.

Against these headwinds, the banking sector exhibits resilience, though credit vulnerabilities and sovereign risks are rising. The World Bank observed that Malawi's banking sector has strong capital buffers, adequate liquidity, and profitability, but the growing non-performing loan (NPL) levels over the past year, at 6.5% in May 2025, suggest

potential credit vulnerabilities in some banks. The significant increases in profits earned by Malawi's commercial banks in recent years have been notable in an otherwise challenging economic outlook, but this profitability is driven by high levels of government borrowing. Credit allocation to the private sector has declined in inflation-adjusted terms over the past years.

Medium-Term Economic Outlook

As Malawians navigate both global and domestic uncertainty, the 21st edition of the MEM argues for the importance of taking urgent and targeted actions to stabilize the economy. There are some bright spots in the economy, particularly through major projects in the energy and mining sectors that are advancing. For these to help drive growth, sectoral and macro-fiscal reforms will need to move forward to ensure the country makes the most of these opportunities.

The World Bank highlights that to create the conditions for growth, there is a need to shift from "business as usual". This will require urgent reforms in three areas:

- **Restoring macroeconomic stability:** Increasing domestic revenues through reforms to increase the progressivity of the tax system and the efficiency of tax administration, reducing wasteful spending, finalizing debt restructuring, and controlling borrowing and reducing inflation by limiting money supply growth.
- **Supporting investment and export growth:** Phasing out the implicit fuel subsidy, implementing reforms to enable the mining sector to support growth over many decades, removing foreign exchange surrender requirements, and reducing trade barriers.
- **Building resilience and protecting the poor:** Addressing the growing risks from climate change by investing in climate-resilient agriculture, increasing the shock-responsiveness and sustainability of the social protection

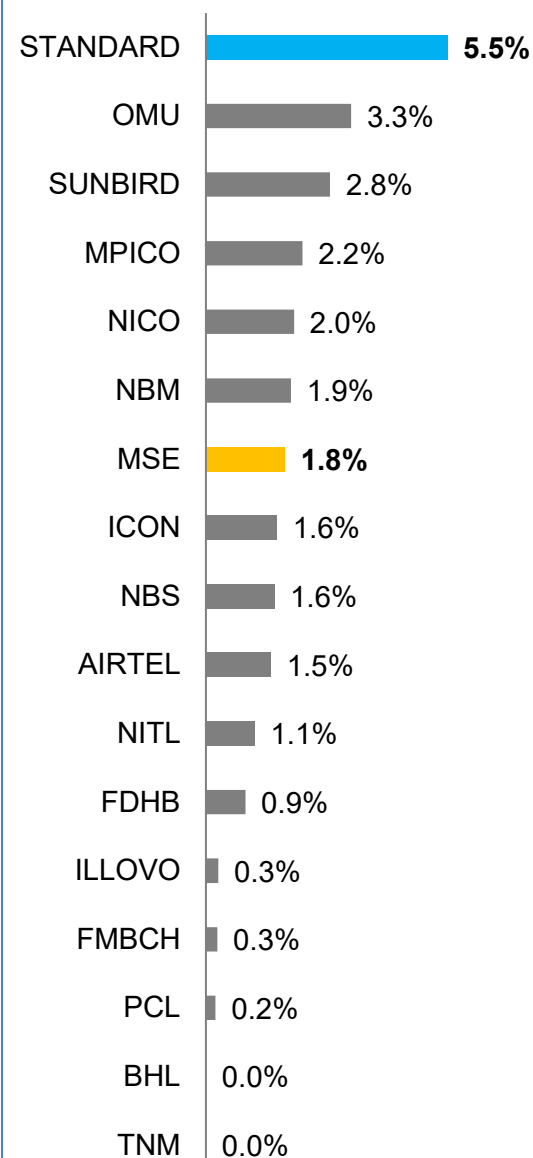
Appendices



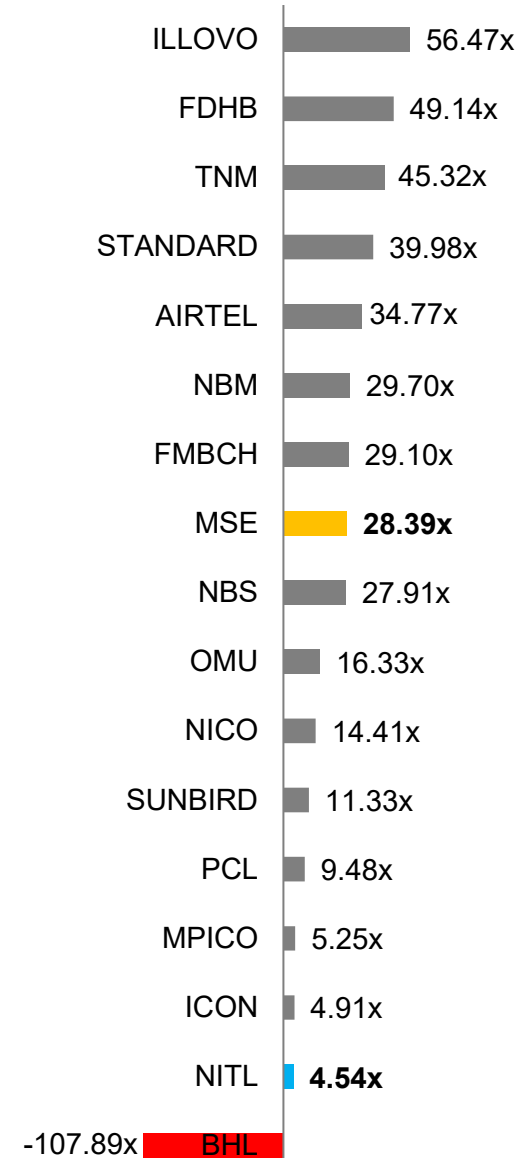
Appendix 1: Historical Monthly Economic Indicators

	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	June-25	July-25
Exchange rates (middle rates)													
MK/USD	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	1,750.48	1,750.58
MK/GBP	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	2,473.04	2,391.69
MK/EUR	1,947.33	1,994.06	2,003.14	1,953.49	1,904.40	1,869.77	1,866.83	1,873.26	1,945.35	2,052.11	2,045.98	2,112.11	2,061.68
MK/ZAR	97.91	101.09	105.69	101.15	99.29	95.89	97.11	97.04	98.15	96.28	100.76	101.58	99.70
Foreign Exchange Reserves													
Total reserves (USD'mn)	565.3	544.8	560.3	519.0	516.9	530.9	570.6	569.5	536.0	530	521	N/A	N/A
Total Reserves Import cover (months)	2.3	2.2	2.2	2.1	2.1	2.1	2.3	2.3	2.1	2.1	2.1	N/A	N/A
Inflation													
Headline	33.70%	33.90%	34.30%	32.40%	27.00%	28.10%	28.50%	30.7%	30.5%	29.2%	27.7%	27.1%	N/A
Food	41.90%	42.00%	43.50%	40.30%	33.70%	35.60%	36.00%	38.5%	37.7%	35.8%	32.7%	31.6%	N/A
Non-food	22.40%	22.70%	21.80%	21.20%	17.20%	16.80%	16.90%	18.5%	19.2%	19.4%	20.0%	20.1%	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%
Average Interbank Rate	24.20%	24.37%	24.20%	24.20%	23.29%	23.20%	23.19%	23.20%	23.20%	23.18%	23.38%	23.92%	23.98%
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%
Commercial Bank Reference Rate	25.40%	25.40%	25.40%	25.40%	25.50%	25.30%	25.20%	25.10%	25.10%	25.10%	25.10%	25.10%	25.30%
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%
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%
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%
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%
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%
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%
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%
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%
Average Treasury Bill Yields	20.67%	20.67%	20.67%	20.67%	20.67%	20.67%	20.67%	20.67%	20.67%	20.67%	20.67%	20.67%	20.67%
Average Treasury Note Yields	31.95%	31.95%	31.95%	31.95%	31.95%	31.95%	31.95%	31.95%	31.95%	31.95%	31.95%	31.95%	31.95%
Year-to-date Return													
MASI	16.26%	27.33%	28.60%	32.69%	47.08%	55.06%	29.90%	64.92%	69.52%	68.39%	64.58%	91.77%	124.53%
DSI	14.76%	27.45%	28.90%	33.57%	47.71%	52.11%	32.35%	50.42%	56.52%	62.53%	62.41%	89.34%	120.03%
FSI	26.76%	26.48%	26.54%	26.51%	42.71%	75.65%	15.08%	152.62%	148.16%	103.82%	77.74%	106.49%	150.94%

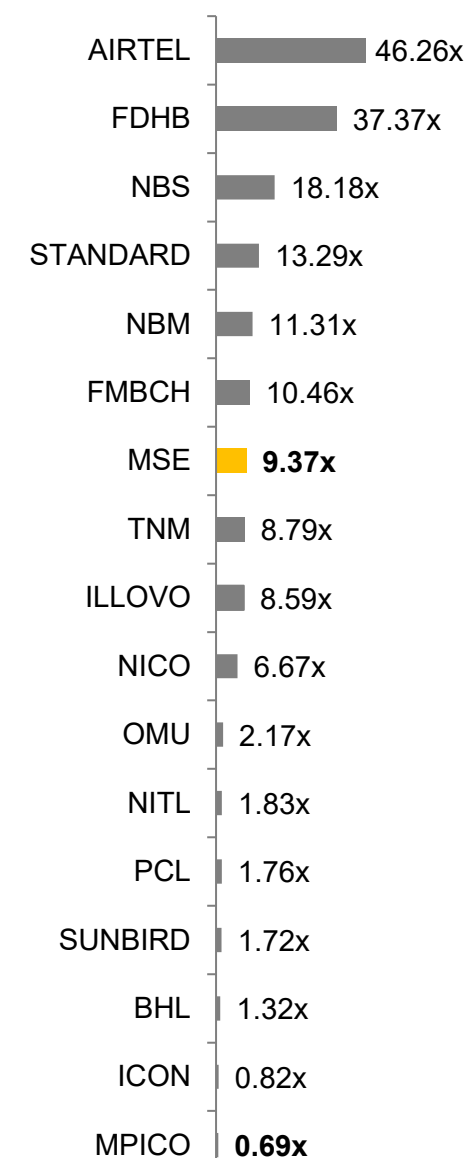
Dividend Yield (%) - the weighted average dividend yield on the MSE was 1.8% in July 2025. The counter with the highest dividend yield was STANDARD at 5.5%.



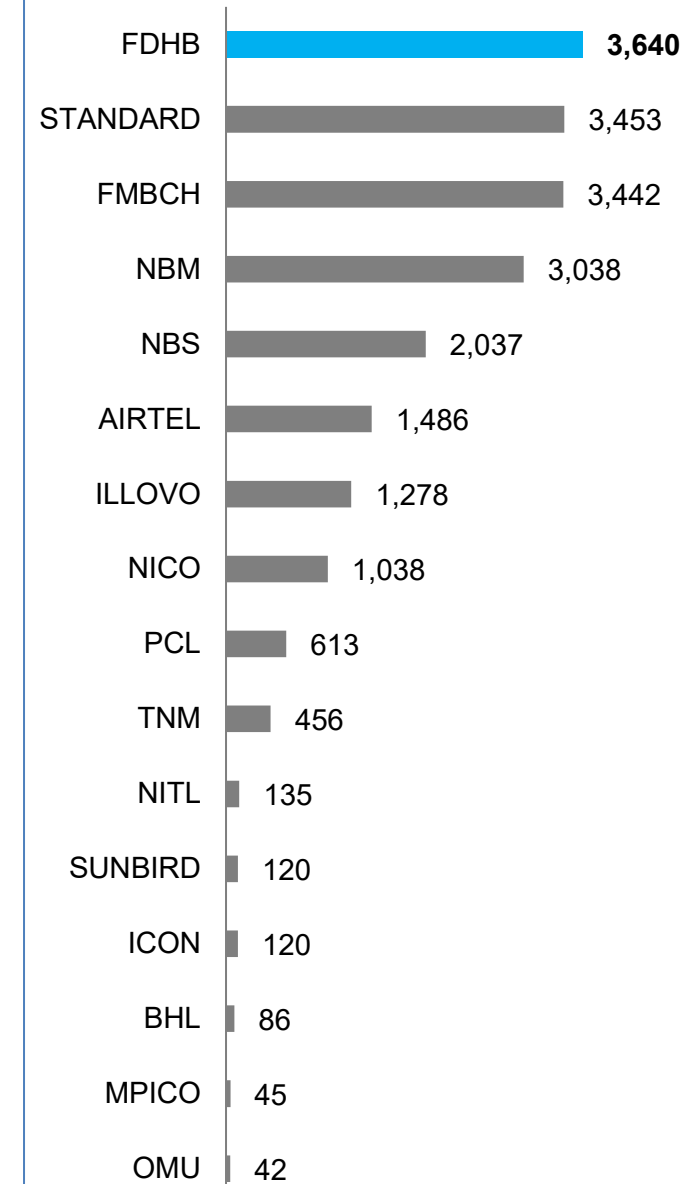
P/E Ratio - the weighted average price to earnings ratio on the MSE was 28.39x in July 2025. The counter with the lowest positive ratio was NITL at 4.54x.



P/BV Ratio - the weighted average price to book value ratio on the MSE was 9.37x in July 2025. The counter with the lowest positive ratio was MPICO at 0.69x.



Market Capitalization (MK'billion) - FDHB had the highest market capitalization at MK3.6 trillion in July 2025.



Oxford Economics Projections

Annual percentage change (unless otherwise indicated)						
	2023	2024	2025	2026	2027	2028
Real GDP growth	1.8	1.8	2.4	3.8	4.3	4.2
CPI inflation	28.8	32.2	28.8	31.2	12.0	9.0
Exports of goods (USD'bn)	1.1	1.0	1.1	1.3	1.4	1.5
Exports of services (USB'bn)	0.5	0.5	0.5	0.6	0.7	0.7
Imports of goods (USD'bn)	3.0	3.2	3.2	3.3	3.5	3.6
Imports of services (USD'bn)	1.0	0.9	0.8	0.8	0.8	0.9
Exports of goods (USB'bn)	2.8	-9.6	14.4	16.8	11.2	9.4
Imports of goods (USB'bn)	4.5	7.2	0.8	2.9	3.9	4.6
Current account (USB'bn)	-2.3	-2.3	-2.2	-2.0	-1.8	-1.7
Current account balance (% of GDP)	-17.5	-19.5	-13.7	-13.2	-11.8	-10.2
Exchange rate per USD (year average)	1,161.1	1,734.3	1,740.1	2,562.7	2,899.3	2,952.2
External debt total (USB'bn)	3.6	4.5	5.5	5.8	6.2	6.6
Government balance (% of GDP)	-8.0	-8.0	-7.4	-6.7	-6.7	-6.5
Government debt (% of GDP)	88.0	73.1	67.8	62.6	66.6	70.7
Population (million)	21.1	21.7	22.2	22.8	23.4	24.0
GDP per capita (USD current prices)	618	551	722	652	652	710

Source: Oxford Economics Country Economic Forecast (Malawi), July 2025

World Bank projections

Annual percentage change (unless otherwise indicated)					
	2023	2024	2025	2026	2027
Real GDP	1.9	1.8	2.0	2.4	3.2
Agriculture	0.7	-0.2	2.2	3.0	3.9
Industry	2.5	2.1	2.2	2.2	2.7
Services	1.8	2.6	1.8	2.2	3.1
Consumer prices (annual average)	28.7	32.3
Central Government revenue (% of GDP)	18.7	20.1	21.2	21.7	23.2
Tax revenue (% of GDP)	13.4	14.7	15.6	15.9	17.2
Grants (% of GDP)	4.1	4.3	4.3	4.5	4.5
Central Government expenditure (% of GDP)	32.1	28.4	29.9	28.7	30.4
Overall balance (excl. grants) (% of GDP)	-17.5	-12.7	-13.0	-11.5	-11.8
Overall balance (incl. grants) (% of GDP)	-13.4	-8.4	-8.7	-7.1	-7.3
Foreign financing (% of GDP)	1.5	0.7	0.6	0.6	0.6
Total domestic financing (% of GDP)	8.4	8.6	8.7	9.5	9.1
Primary balance (% of GDP)	-8.3	-1.4	-0.6	-1.2	-1.6
Broad money	32.2	45.1	38.8	55.8	43.3
Credit to the private sector	17.6	29.3	20.6	17.0	12.6
Exports (goods and services) (USD'million)	1,521	1,433	1,531	1,711	1,806
Imports (goods and services) (USD'million)	3,984	4,173	4,151	3,971	4,190
Current account (% of GDP)	-17.8	-22.0	-21.9	-17.7	-17.1
External debt (% of GDP)	43.2	37.4	30.4	26.9	23.3
Domestic public debt (% of GDP)	40.4	50.7	48.4	50.8	54.8
Total public debt (% of GDP)	83.6	88.1	78.8	77.6	78.0
International poverty rate (USD3.00 in 2021 PPP)	76.0	76.3	76.5	76.3	76.0

Source: World Bank Malawi Economic Monitor, July 2025

Appendix 4: List of Acronyms and Abbreviations

AfDB	: African Development Bank	MEM	: Malawi Economic Monitor
AGM	: Annual general meeting	MEPA	: Malawi Environmental Protection Authority
AHL	: Auctions Holding Limited	MK	: Malawi Kwacha
av	: Average	Mn	: Million
BHL	: Blantyre Hotels Plc	MPC	: Monetary Policy Committee
bn	: Billion	MSE	: Malawi Stock Exchange
CEO	: Chief executive officer	Mt	: Metric tons
CEPRM	: Centre of Excellence in Pharmaceutical Manufacturing	MTL	: Malawi Telecommunications Limited
CPI	: Consumer Price Index	MW	: Megawatt
CSPG	: Coated spherical purified graphite	NBM	: National Bank of Malawi Plc
DCTS	: Developing Countries Trading Scheme	NBS	: NBS Bank Plc
DSA	: Debt sustainability analysis	NICO	: NICO Holdings Plc
EGM	: Extraordinary General Meeting	NITL	: National Investment Trust Limited Plc
EIU	: Economist Intelligence Unit	NPL	: Non-performing loan
ESCOM	: Electricity Supply Corporation of Malawi	NSO	: National Statistical Office
EU	: European Union	OMU	: Old Mutual Limited Plc
EUR	: Euro	OPEC	: Organization of the Petroleum Exporting Countries
FDHB	: FDH Bank Plc	P/BV	: Price to book value
FDI	: Foreign direct investment	P/E	: Price to earnings
FMBCH	: FMB Capital Holdings Plc	PCL	: Press Corporation Limited Plc
FY	: Fiscal year	RBM	: Reserve Bank of Malawi
GBA	: Greenbelt Authority	SOFR	: Secured Overnight Financing Rate
GBP	: Great British Pound	TAML	: Tea Association of Malawi
GDP	: Gross Domestic Product	TB	: Treasury Bill
IFPRI	: International Food Policy Research Institute	TBA	: To be announced
IMF	: International Monetary Fund	TN	: Treasury Note
IRR	: Internal rate of return	TNM	: Telekom Networks Malawi Plc
Kg	: Kilogram	UK	: United Kingdom
kV	: Kilovolt	UNESCO	: United Nations Educational, Scientific and Cultural Organisation
LRR	: Liquidity Reserve Requirement	USAID	: United States Agency for International Development
LUANAR	: Lilongwe University of Agriculture and Natural Resources	USD	: United States Dollar
MASI	: Malawi All Share Index	VAT	: Value Added Tax
Mb/d	: Million barrels per day	WB	: World Bank

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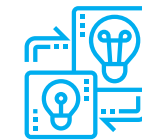
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