

Malawi Financial Market Update

Week ending 12 September 2025



Market Developments

What happened this week

Press Corporation Plc (PCL) advises that it has entered into a definitive agreement with the Government of Malawi to dispose of its entire 52.7% shareholding in Malawi Telecommunications Limited (MTL).

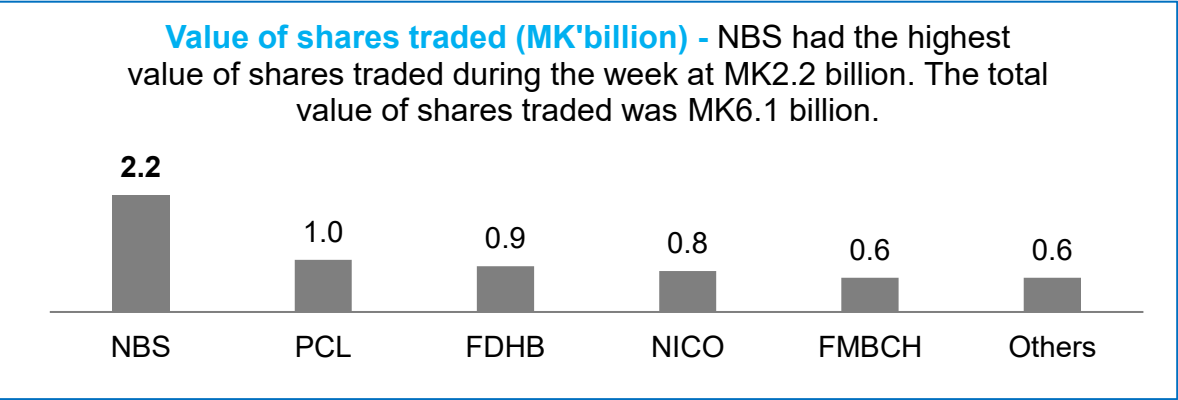
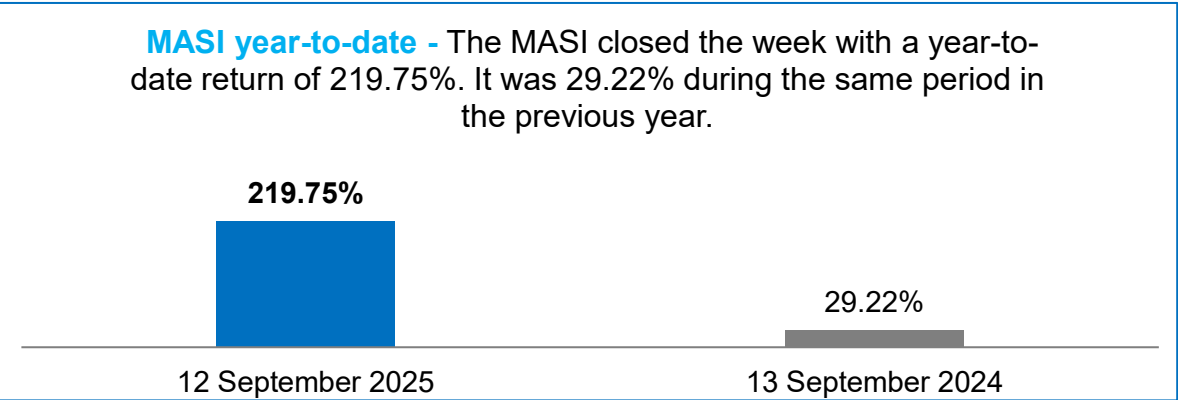
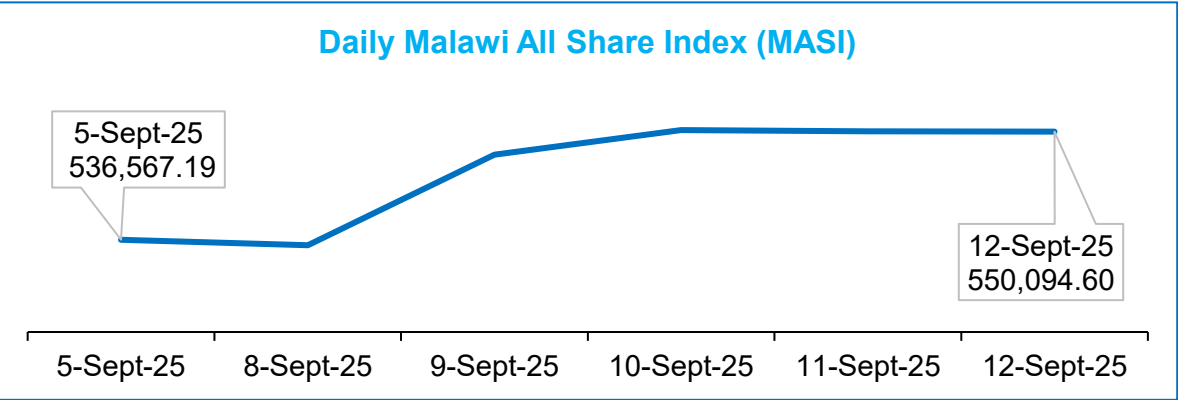
The National Bank of Malawi Plc (NBM) Group plans to establish NBM Holdings Plc, a Holding Company that will oversee its diversified portfolio of subsidiaries, joint ventures, and associate companies.

1. Press Corporation Plc (PCL) issued an updated cautionary statement, advising that it has entered into a definitive agreement with the Government of Malawi (GoM) to dispose of its entire 52.7% shareholding in Malawi Telecommunications Limited (MTL). The consideration is equivalent to 0.76% of PCL's market capitalization of MK793.7 billion on the Malawi Stock Exchange as of 29 August 2025. The agreement is subject to regulatory and other statutory processes and approvals, as well as compliance with conditions precedent. The transaction is expected to be fully completed within the 2025 financial year. Upon completion, management and control in MTL will be transferred to the GoM. (*Press Corporation Plc, 9 September 2025*)
2. The Greenbelt Authority (GBA) has begun talks with Afreximbank, facilitated by NBS Bank Plc, to secure financing for three key projects: the Nthola-Illola Rice Project, the Bwanje Ethanol Project, and the Bry Holdings Wheat Project. The discussions took place on the sidelines of the Intra-Africa Trade Fair in Algiers, where GBA chief executive officer (CEO) described the initial round of talks as successful and promising for the future of Malawi's agricultural exports. Afreximbank has committed to providing further assistance to the GBA in the process of trying to acquire the loan. (*The Nation, 9 September 2025*)
3. The National Bank of Malawi Plc (NBM) Group plans to establish NBM Holdings Plc, a Holding Company that will oversee its diversified portfolio of subsidiaries, joint ventures, and associate companies, including NBM. The new structure aims to provide agile strategic oversight, streamline governance, and drive growth in finance, investment, fintech, and other emerging sectors, while creating long-term shareholder value and supporting national development. To facilitate this transition, NBM is inviting proposals from consultants to review the current organizational structure, assess its effectiveness, identify gaps, benchmark against regional and international models, design a fit-for-purpose operating model, and propose risk mitigation strategies for the Holding Company. (*The Daily Times, 8 September 2025*)
4. As of 11 September 2025, a cumulative USD525.4 million (approximately MK919.6 billion) has been raised from tobacco sales. This amount corresponds to a total of 209.8 million kilograms (kgs) of tobacco sold at an average price of USD2.50/kg. As of 11 September 2024, a cumulative USD396.8 million (approximately MK694.5 billion) had been raised from the sale of 133.3 million kgs of tobacco at an average price of USD2.98/kg. (*Auction Holdings Limited, 11 September 2025*)
6. The economy's total foreign exchange reserves in July 2025 improved to USD607.7 million (equivalent to 2.4 months of imports), from USD555.9 million (2.2 months of imports) in June 2025, and compared to USD565.3 million (2.3 months of imports) in July 2024. The rise was mainly due to an increase in both gross official and private sector reserves during the review period. (*Reserve Bank of Malawi, 8 September 2025*)
7. According to the Monthly Economic Review by the Reserve Bank of Malawi, the annual growth rate of money supply (M2) reached 49.1% in July 2025 from 45.8% in June 2025 and 43.8% in July 2024. This rise in money supply growth was on account of increases in demand deposits, term deposits, and currency in circulation in July 2025. (*Reserve Bank of Malawi, 8 September 2025*)
8. The International Food Policy Research Institute (IFPRI) reported that maize prices continued to increase in August 2025, rising by 16% to an average of MK1,358/kg (MK67,900 for a 50kg bag) in August, from MK1,169/kg (MK58,450 for a 50kg bag) in July. According to IFPRI, the biggest jump (over MK100 on average) occurred on 15 August 2025 after a major radio station reported that maize was retailing for MK1,700/kg in certain areas (a claim not corroborated by IFPRI data), which many retailers took as a signal to increase their prices. As of August 2024, the maize price was at MK792/kg (MK39,850 for a 50kg bag). (*IFPRI, 11 September 2015*)
9. Press Corporation Plc (PCL) registered a profit after tax (PAT) of MK94.4 billion for the half-year ended 30 June 2025 against a PAT of MK45.3 billion for the half-year ended 30 June 2024, representing a growth of 108%. Profitability was driven by a 40% revenue increase to MK331.3 billion, cost containment measures, and higher profit from equity-accounted investments, which rose to MK5.3 billion from MK2.7 billion. (*The Daily Times, 12 September 2025*)
10. Old Mutual Limited registered adjusted headline earnings of ZAR4.2 billion for the half-year ended 30 June 2025, a 29% increase from the ZAR3.3 billion reported in the half-year ended 30 June 2024. The growth in the adjusted headline earnings was driven by strong underwriting performance in Old Mutual Insure and strong equity market performance, particularly in South Africa and Malawi. The Board declared an interim dividend of 37 cents per share. (*Old Mutual Limited, 12 September 2025*)
11. Dr Grant Peter Kabango was appointed as the Board Chairman of National Bank of Malawi Plc. (*The Daily Times, 11 September 2025*)

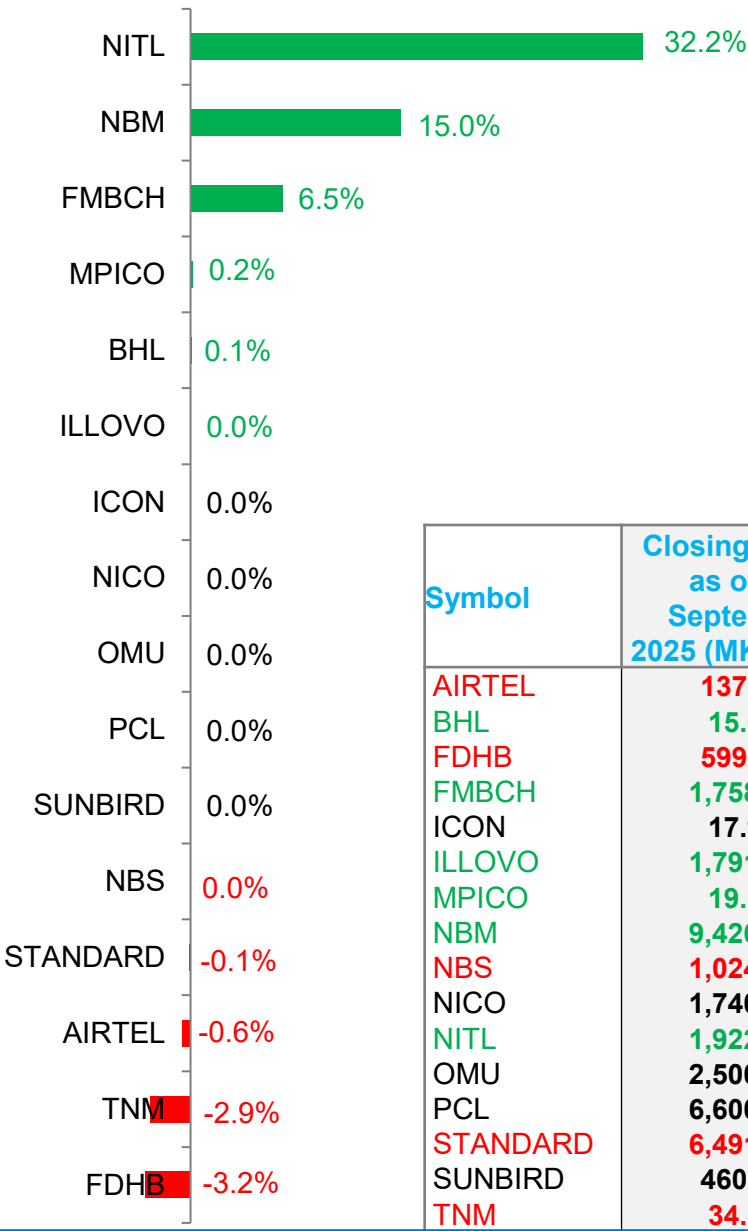


Stock market (Source: MSE)

The stock market was bullish, with the Malawi All Share Index (MASI) closing the week ending 12 September 2025 at 550,094.60 points from 536,567.19 points on 5 September 2025. The share price gains in NITL, NBM, and FMBCH offset the share price losses in FDHB and TNM, driving the index upward.



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



Symbol	Closing prices as of 12 September 2025 (MK/share)	Closing prices as of 5 September 2025 (MK/share)
AIRTEL	137.96	138.82
BHL	15.01	15.00
FDHB	599.99	619.90
FMBCH	1,758.44	1,650.41
ICON	17.95	17.95
ILLOVO	1,791.46	1,791.42
MPICO	19.54	19.51
NBM	9,426.44	8,196.77
NBS	1,024.74	1,024.86
NICO	1,740.00	1,740.00
NITL	1,922.00	1,454.01
OMU	2,500.06	2,500.06
PCL	6,600.00	6,600.00
STANDARD	6,491.10	6,497.47
SUNBIRD	460.02	460.02
TNM	34.85	35.89



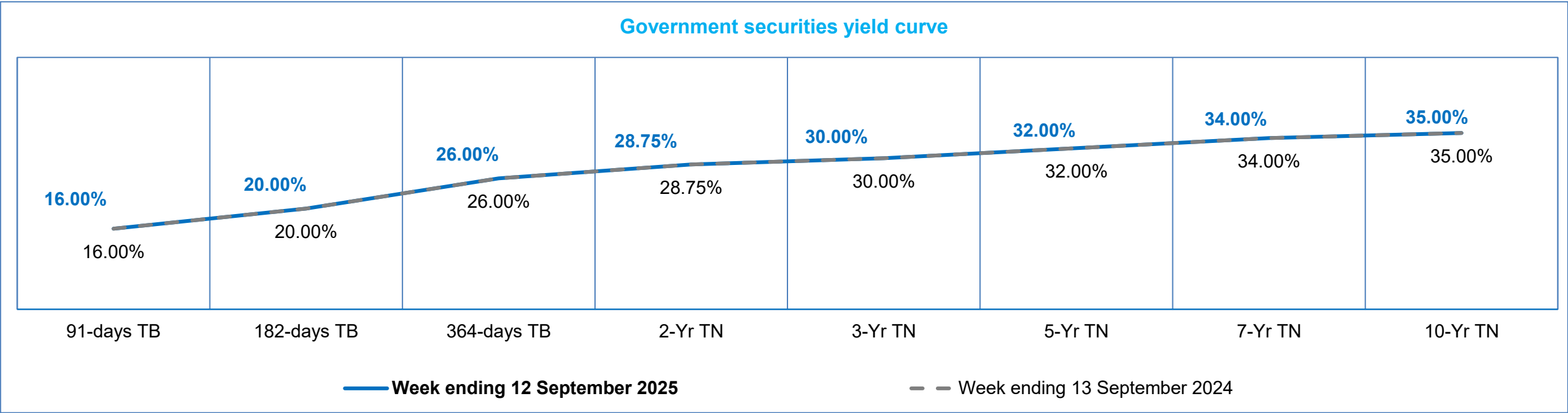
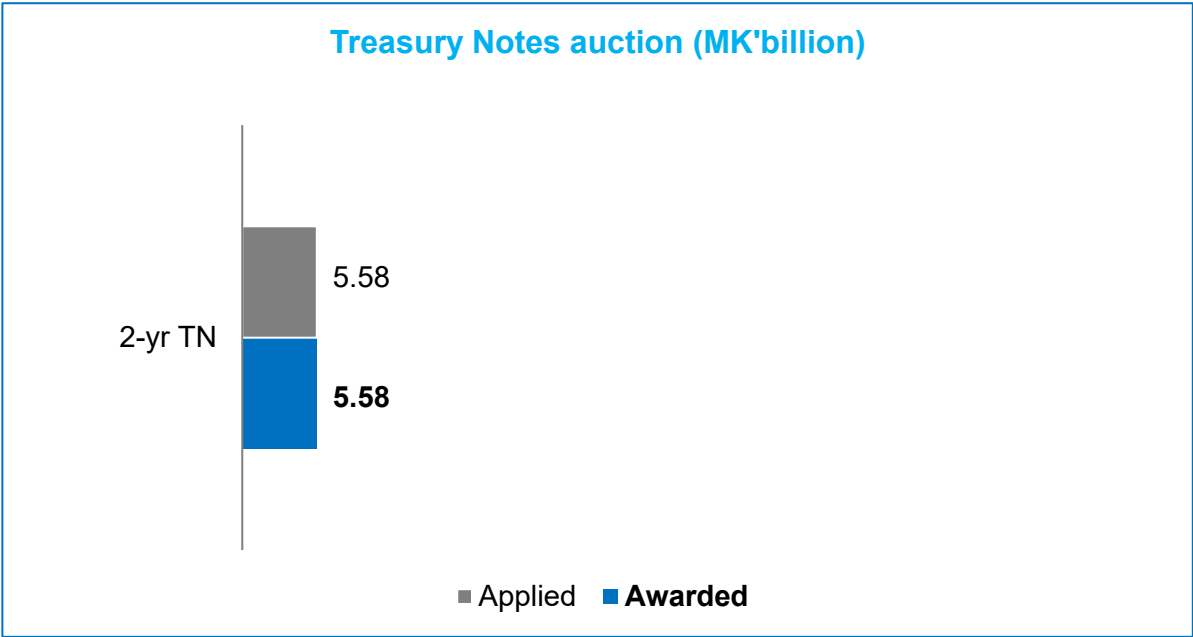
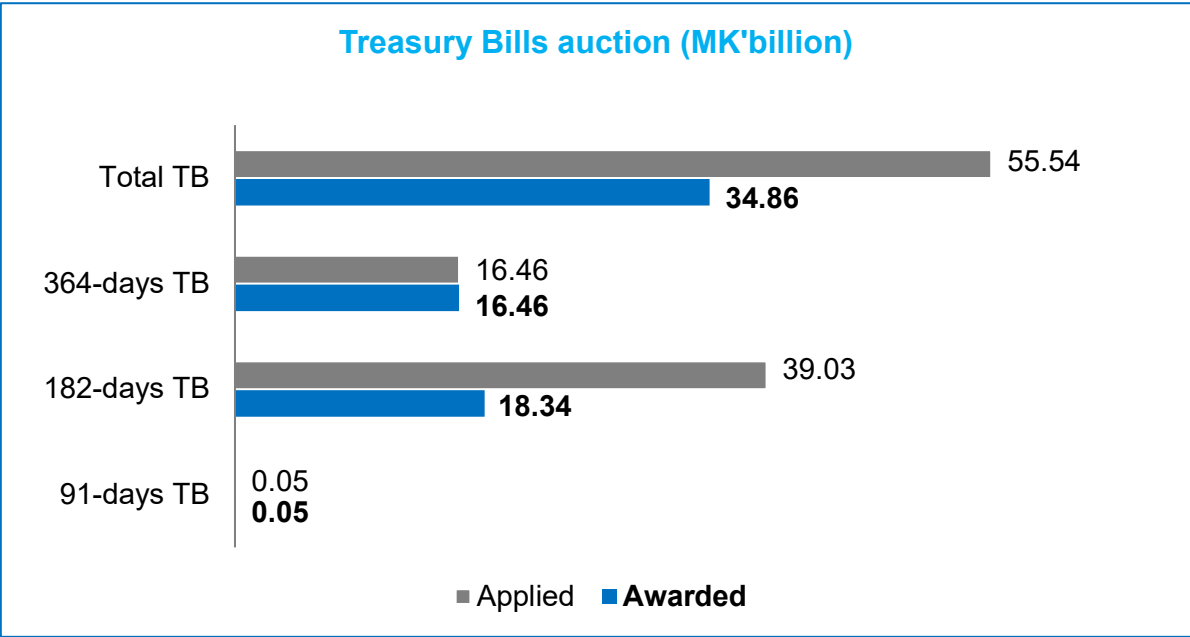
Government Securities (Source: RBM)

The Reserve Bank of Malawi held auctions for all tenors of Treasury Bills (TBs) and the 2-yr Treasury Note (TN) during the period under review. A total of MK40.44 billion was raised from the auctions.

The total amount raised from the TBs auction was MK34.86 billion, primarily driven by the 182 and 364-days TBs.

The total amount raised from the TN auction was MK5.58 billion.

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

	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	April-25	May-25	Jun-25	Jul-25	Aug-25	12-Sep-25
Exchange Rates (middle rates)														
MK/USD	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	1,749.95	1,734.01
MK/GBP	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	2,408.88	2,424.53	2,420.07
MK/EUR	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	2,112.10	2,082.69	2,103.70	2,094.66
MK/ZAR	101.09	105.69	101.15	99.29	95.82	97.11	97.04	98.15	96.28	100.76	100.57	100.34	101.77	102.77
Foreign Exchange Reserves														
Total Reserves (USD'mn)	549.85	560.3	519.0	516.9	530.9	570.60	569.5	536.0	530.0	521.0	555.9	607.7	N/A	N/A
Inflation														
Headline	33.9%	34.3%	32.4%	27.0%	28.1%	28.5%	30.7%	30.5%	29.2%	27.7%	27.1%	27.3%	N/A	N/A
Food	42.0%	43.5%	40.3%	33.7%	35.6%	36.0%	38.5%	37.7%	35.8%	32.7%	31.6%	32.4%	N/A	N/A
Non-food	22.7%	21.8%	21.2%	17.2%	16.8%	16.9%	18.5%	19.2%	19.4%	20.0%	20.1%	19.3%	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)	24.37%	24.20%	24.20%	23.23%	23.22%	23.19%	23.18%	23.19%	23.18%	23.82%	23.99%	23.98%	23.98%	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%	26.20%
Commercial Bank Reference Rate	25.40%	25.40%	25.40%	25.50%	25.30%	25.20%	25.10%	25.10%	25.10%	25.20%	25.10%	25.30%	25.40%	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%	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	27.33%	28.60%	32.69%	47.08%	55.06%	29.90%	64.92%	69.52%	68.39%	64.58%	91.77%	124.53%	211.15%	219.75%
DSI	27.45%	28.90%	33.57%	47.71%	52.11%	32.35%	50.42%	56.52%	62.53%	62.41%	89.34%	120.03%	214.05%	220.82%
FSI	26.48%	26.54%	26.51%	42.71%	75.65%	15.08%	152.62%	148.16%	103.82%	77.74%	106.49%	150.94%	195.28%	214.41%

The 12 September 2025 exchange rates are Middle (TT) opening exchange rates as reported by the Reserve Bank of Malawi.

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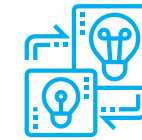
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