



Malawi Financial Market Update

Week ending 13 February 2026



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Market Developments

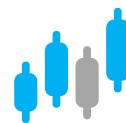
What happened this week

The President of Malawi presented the SONA in parliament to mark the opening of the 2026/27 national budget meeting.

OPC has issued directive limiting all ministers and deputy ministers to a maximum of one local trip a month.

NFRA has announced the resumption of maize purchases nationwide at MK42,000 per 50kg bag.

1. The President of Malawi delivered the 2026 State of the Nation Address (SONA) in parliament to mark the official opening of the 2026/27 National Budget Meeting on 13 February 2026. The SONA outlined macroeconomic stabilization targets and priority investments aimed at restoring growth and easing inflationary pressures. The address projected inflation to decline to below 21% in 2026 from 28.7% in 2025. Additionally, economic growth is expected to rise to 3.8% in 2026 and to 4.9% in 2027 from 2.7% in 2025, supported by austerity measures, foreign exchange reforms and increased gold purchases and monetization. Key development priorities highlighted include advancing the establishment of Sovereign Wealth Fund from mining proceeds, development of Special Economic Zones, scaling up agricultural input support, construction of 2-storey market facilities in the major cities in 2026/27 fiscal year, and continued investment in energy generation to raise capacity beyond the current 551 Megawatts (MW) to over 1,000MW by 2030. (SONA, 13 February 2026)
2. The Office of the President and Cabinet (OPC) has issued a directive restricting all Ministers and Deputy Ministers to a maximum of one local trip per month, effective immediately. This austerity measure is aimed at curbing the cost on government resources caused by travel allowances and fuel consumption, which contradicts the current budget austerity measures. The OPC has further highlighted that essential travel exceeding this quota now requires prior approval from the President. (OPC, 11 February 2026)
3. The Economics Association of Malawi (Ecama) has cautioned the government against repeated debt write-offs between State-Owned Enterprises, specifically the recent MK97 billion cancellation of Escom's debt to Egenco. Ecama president said the cancellations, which reset Egenco's balance sheet despite ongoing revenue generation, act as implicit subsidies that weaken fiscal transparency, distort pricing signals, and erode Egenco's capacity to finance its target generation expansion to 2,434.5MW by 2040 from 551MW. (The Nation, 10 February 2026)
4. A report by the World Food Programme (WFP) shows that the national Survival Minimum Expenditure Basket (SMEB) in Malawi was at MK232,700 in January 2026, down from MK234,000 in December 2025, due to lower food costs offsetting rising non-food costs. The food basket declined by 4% to MK198,200 while the non-food basket rose by 34% to MK34,500; maize prices averaged MK1,049 per kg in January, down 12% month-on-month and 22% year-on-year. (WFP, 6 February 2026)
5. The National Food Reserve Agency (NFRA) has announced that it will resume maize purchases nationwide effective 10 February 2026 at a revised price of MK840 per kilograms, equivalent to MK42,000 per 50kg bag. Purchases will be conducted on a first-come, first-served basis with a minimum sale quantity of 20 bags of 50kg (one metric tonne), at all NFRA depots except in Lilongwe where Chilambula ADMARC Depot will be used. (NFRA, 9 February 2026).
6. The Deposit Insurance Corporation (DIC) projects its unaudited Deposit Insurance Fund to have grown to approximately MK20 billion in 2025 from MK7 billion at the close of 2024. The Director General of DIC said the fund has recorded 100% compliance from member banks and is expected to reach MK20 billion pending audited financial statements due in March 2026. At the current level, the fund can cover two smaller banks in a potential collapse. DIC protects eligible deposits of up MK3 million per depositor per bank, covering about 94% of the depositor population. (The Daily Times, 11 February 2026).
7. Electricity Generation Company (Egenco) is facing a USD44 million (approximately MK77.1 billion) financing shortfall for the USD84 million rehabilitation of Kapichira Dam. This deficit halts the permanent restoration of the 129.6MW facility, which was destroyed by Tropical Storm Ana in January 2022. The Chief Executive Officer of Egenco told the Parliamentary Committee on Commissions, Statutory Corporations and State Enterprises that feasibility studies and designs for the permanent dam are complete but tendering, expected next month, is dependent on securing the remaining funds. (The Nation, 9 February 2026)
8. Lotus Resources Limited has successfully raised approximately USD53 million through the issuance of 35.4 million new shares at AUD2.15 each to fund the operational ramp-up of the Kayelekera uranium mine. This capital injection is aimed at completing critical infrastructure, including a sulphuric acid plant and connection to the national electricity grid, to ensure the mine meets its production target of 200,000 pounds per month. The funding secures the company's liquidity as it targets its first uranium export in the second quarter of 2026. (The Daily Times, 10 February 2026)

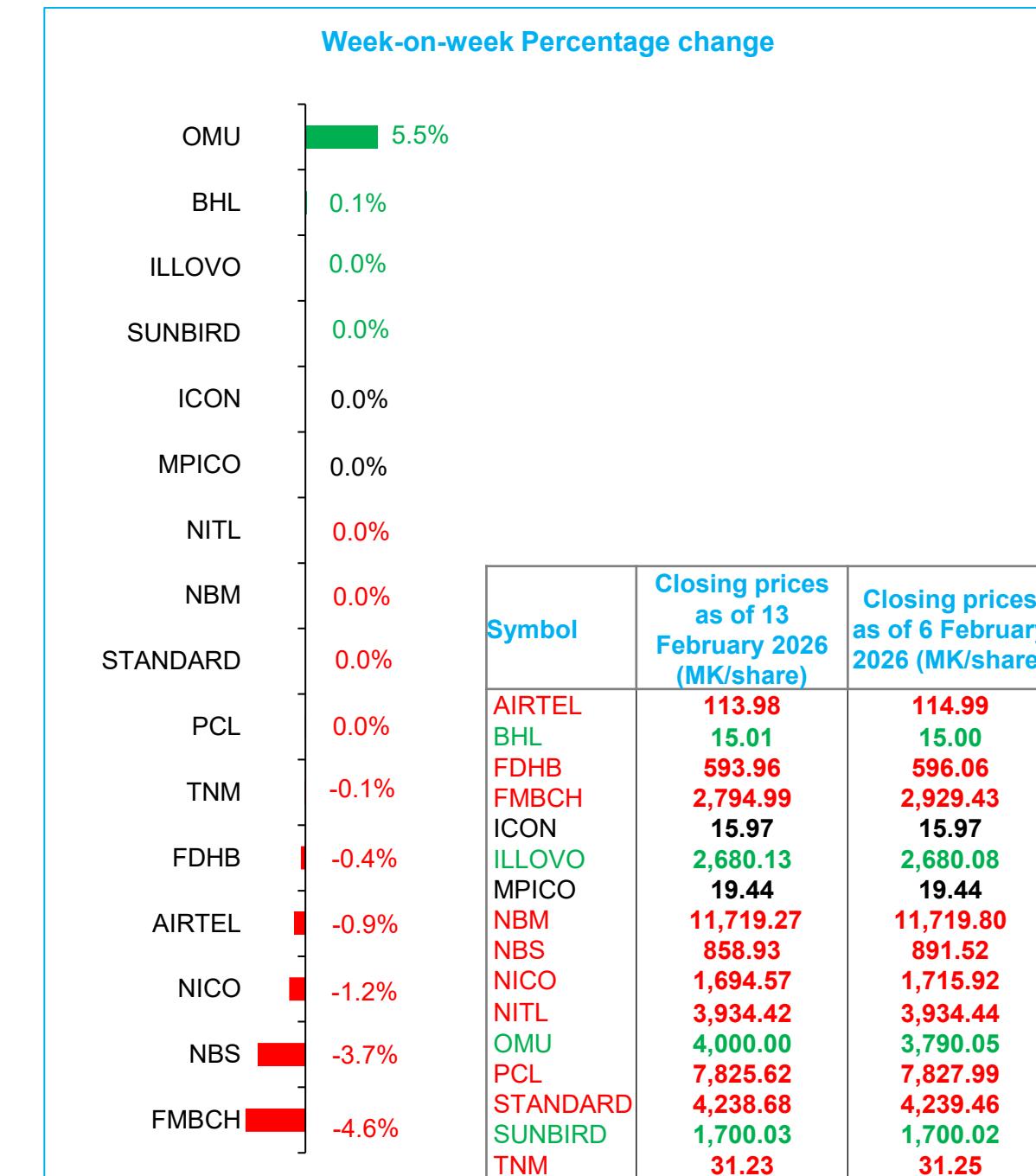
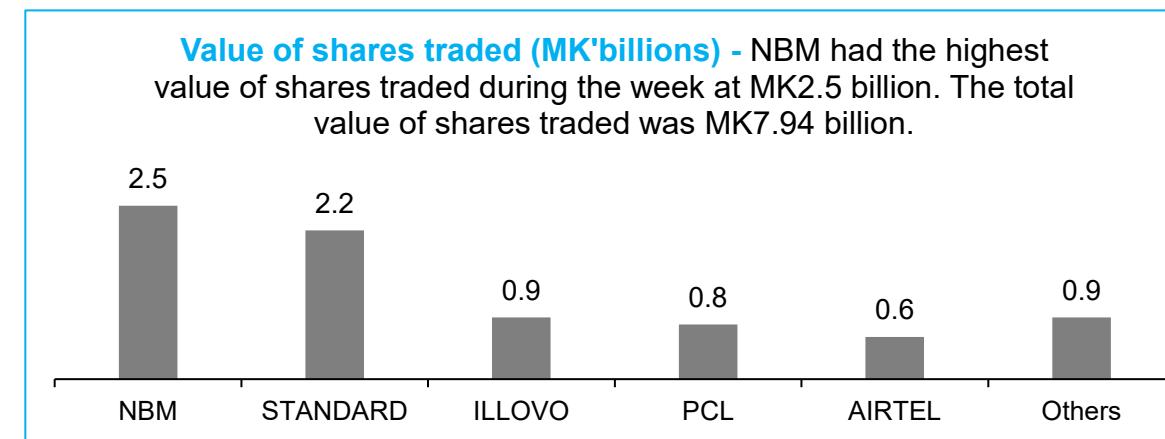
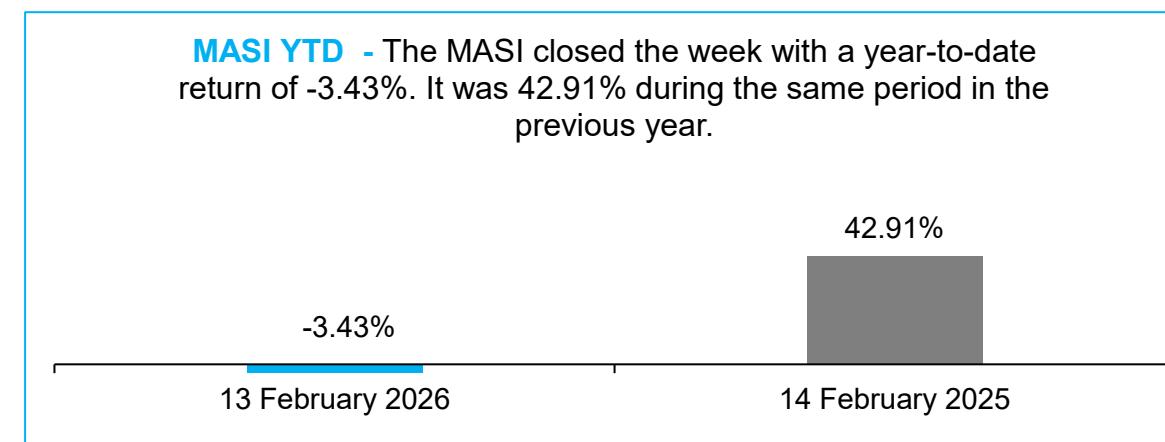
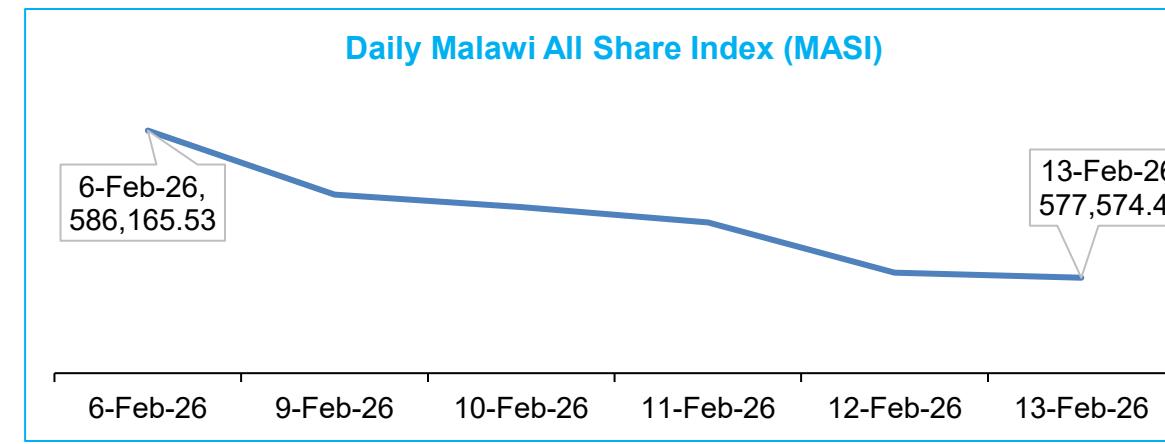


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Stock market (Source: MSE)

The stock market was bearish, with the Malawi All Share Index (MASI) declining to 577,574.44 points on 13 February 2026 from 586,165.53 points on 6 February 2026.

The total value of shares traded was MK7.9 billion. NBM had the highest value of shares traded at MK2.5 billion. ILLOVO sugar Malawi plc has announced that it will hold a stakeholder engagement meeting on 20 February 2026.

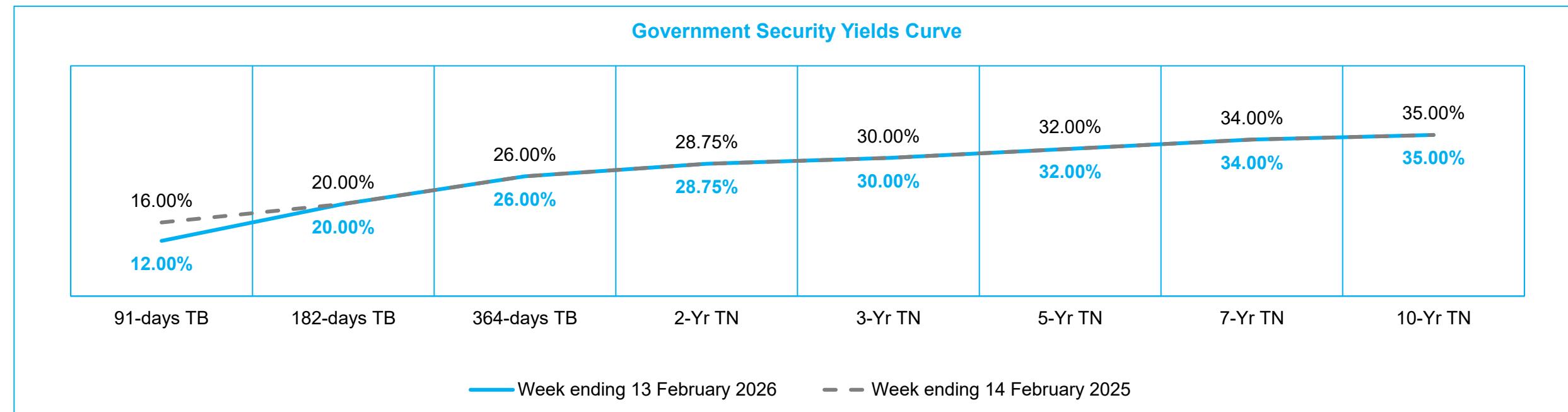
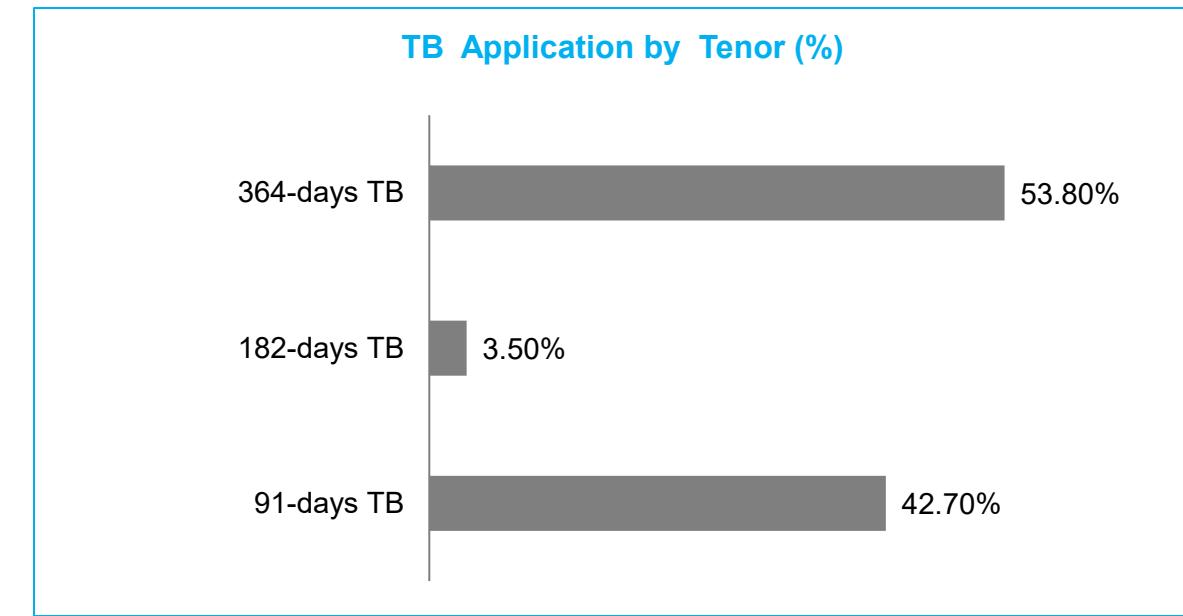
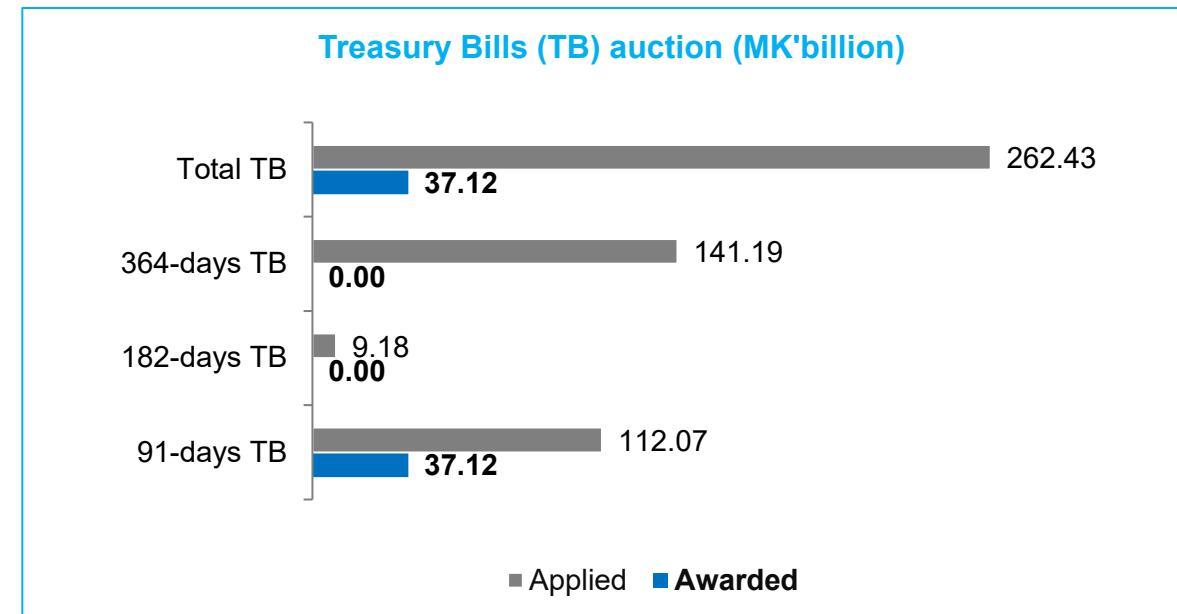


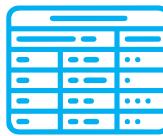


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Government Securities (Source: RBM)

The Reserve Bank of Malawi (RBM) held auctions for all tenors of Treasury Bills (TB) during the period under review. A total of MK37.12 billion was raised from MK262.43 billion in total applications received from initial and reopening auctions.





Appendix 1: Historical Economic Indicators

	Feb-25	Mar-25	April-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	13-Feb-26
Exchange Rates (middle rates)													
MK/USD	1,749.65	1,750.25	1,750.51	1,750.67	1,750.48	1,750.58	1,749.95	1,750.37	1,749.95	1,750.07	1,749.00	1,749.55	1,734.01
MK/GBP	2,268.53	2,329.61	2,412.28	2,415.65	2,473.04	2,408.88	2,424.53	2,423.25	2,371.39	2,377.10	2,416.04	2,456.90	2,427.04
MK/EUR	1,873.26	1,945.36	2,052.11	2,045.98	2,112.10	2,082.69	2,103.70	2,103.32	2,078.57	2,087.24	2,107.54	2,148.87	2,115.91
MK/ZAR	97.04	98.15	96.28	100.76	100.57	100.34	101.77	103.60	103.58	103.68	107.63	113.67	111.27
Foreign Exchange Reserves													
Total Reserves (USD'mn)	569.5	536.0	530.0	521.0	555.9	607.7	523.9	511.8	526.8	530.0	N/A	N/A	N/A
Inflation													
Headline	30.7%	30.5%	29.2%	27.7%	27.1%	27.3%	28.2%	28.7%	29.1%	27.9%	26.0%	N/A	N/A
Food	38.5%	37.7%	35.8%	32.7%	31.6%	32.4%	33.7%	33.0%	32.4%	30.1%	26.5%	N/A	N/A
Non-food	18.5%	19.2%	19.4%	20.0%	20.1%	19.3%	19.5%	21.7%	23.8%	24.2%	25.2%	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%
Average Interbank Rate (Overnight)	23.18%	23.19%	23.18%	23.82%	23.99%	23.98%	23.98%	23.98%	23.98%	23.98%	23.98%	23.98%	22.00 %
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	25.10%	25.10%	25.10%	25.20%	25.10%	25.30%	25.40%	25.30%	25.40%	25.30%	25.30%	25.20%	24.70%
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%	15.00%	12.00%
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%
Year-to-date Return													
MASI	64.92%	69.52%	68.39%	64.58%	91.77%	124.53%	211.15%	236.67%	250.27%	259.98%	247.63%	-1.53%	-3.43%
DSI	50.42%	56.52%	62.53%	62.41%	89.34%	120.03%	214.05%	236.40%	233.38%	217.65%	208.88%	0.30%	-0.54%
FSI	152.62%	148.16%	103.82%	77.74%	106.49%	150.94%	195.28%	239.14%	348.11%	503.79%	470.87%	-7.19%	-12.34%

The 13 February 2026 exchange rates are Middle (TT) opening exchange rates as reported by the Reserve Bank of Malawi.

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