



## Malawi Financial Market Update

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Week ending 20 March 2026



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### Market Developments

#### What happened this week

*The Reserve Bank of Malawi has announced the introduction of new MK50 and MK20 coins, set to enter circulation on 24 April 2026*

*The year-on-year inflation eased to 24.1% in February 2026 from 24.9% in January 2026*

*Tobacco production in Malawi is projected at 214 million Kg in 2026, exceeding the initial demand estimate of 170 million Kg*

1. The Reserve Bank of Malawi (RBM) has announced the introduction of new MK50 and MK20 coins, set to enter circulation on 24 April 2026. The decision is aimed at reducing currency management costs to replace low-denomination bank notes. The central bank said it spent about MK44 billion in 2025 printing replacement notes due to wear and tear. The low-value bank notes have a lifespan of about one year, while coins are expected to last up to 10 years. The move is also influenced by continued high reliance on hard cash, with about 93% of income earners operating in the informal sector. *(The Daily Times, 15 March 2026)*
2. The Malawi Government is at an advanced stage of restructuring domestic debt owed to domestic creditors, with preparations underway for engagement between the Ministry of Finance and commercial banks. Treasury indicated that a debt profiling exercise has been completed and consultations with banks are ongoing. The upward revision in total public debt has slowed down decision-making, with the debt revised upward to between MK22 trillion and MK24 trillion from earlier estimates of MK18 trillion and MK20 trillion. *(The Daily Times, 19 March 2026)*
3. The year-on-year inflation eased to 24.1% in February 2026 from 24.9% in January 2026, driven by food inflation falling to 20.8% from 22.1% despite non-food inflation rising to 30.0% from 29.8%. The Month-to-month inflation stood at 3.2% from 3.7%, with food prices increasing by 3.1% and non-food prices increasing by 6.2%. *(NSO, 17 March 2026)*
4. According to the International Food Policy Research Institute (IFPRI), the national average retail maize prices increased by 14% in February 2026, to MK1,111/kg (MK55,550 per 50kg bag) from MK977/kg (MK48,850 per 50kg bag) in January 2026. Overall, in the final week of February 2026 the Northern Region registered the lowest maize prices averaging MK928/kg (MK46,400 per 50kg bag) followed by the Central and Southern Regions, averaging MK1,111/kg (MK55,550 per 50kg bag) and MK1,173/kg (MK58,650 per 50kg bag) respectively. The decline was driven by cheap, informal imports dominating cross-border trade. Prices were below the government minimum farmgate price of MK1,050/kg in 2025, contrary to the typical lean-season price increase. *(IFPRI, 12 February 2026)*
5. Standard Bank Plc announced an interim dividend of MK16.7 billion for the financial year ended 31 December 2025, representing MK14.23 per share. *(Standard Bank, 13 March 2026)*
6. The Tobacco Commission (TC) first round production estimates project that tobacco production in Malawi will reach 214 million kg in 2026. This exceeds the initial demand estimate of 170 million Kg, raising concerns about market stability. The figures are preliminary, and final volumes will be confirmed after further assessments and demand from buyers is consolidated. Last season, Malawi produced 221 million kg against the demand of 213 million kg. Last season, the average price was USD2.46 per Kg, generating USD539.4 million in earnings. *(The Nation, 16 March 2026)*
7. According to the National Statistical Office (NSO) 2025 National Census of Agriculture, Malawi's agriculture sector remains dominated by smallholder and subsistence farming. The census covered 29,648 smallholder households and 136 estates. The agricultural sector is dominated by agricultural households that are predominantly involved in subsistence farming, with only 1.6% farmers involved primarily in commercial farming. Irrigation remains limited, with implementation at 2.2% of cultivated land, while mechanisation is low, with 97.4% of households relying on hand hoes. Input use is moderate, with 52.6% of households using only improved maize seed and 69.0% of households applying inorganic fertiliser. *(NSO, 16 March 2026)*
8. Mkango Resources has projected to commence the construction of the Songwe Hill Rare Earth Mine in 2027 with a total estimated investment of USD400 million. Songwe Hill has an expected mine life of 18 years, producing a 55 percent mixed rare earth carbonate, yielding 1,953 tonnes per annum. The company is currently in the Front-End Engineering and Design (FEED) phase, with completion expected within nine months. The project is expected to support foreign exchange generation, employment creation and industrial development. *(The Daily Times, 18 March 2026)*
9. The European Union has invested EUR55 million (about MK110 billion) in Malawi under the Zantchito project to establish Centres of Vocational Excellence, aimed at addressing skills gaps in the labour market. The centres will focus on sectors such as agricultural mechanisation, tourism, renewable energy and maritime transport. The initiative is designed to align technical and vocational training with industry needs while supporting employment and entrepreneurship. *(The Nation, 18 March 2026)*

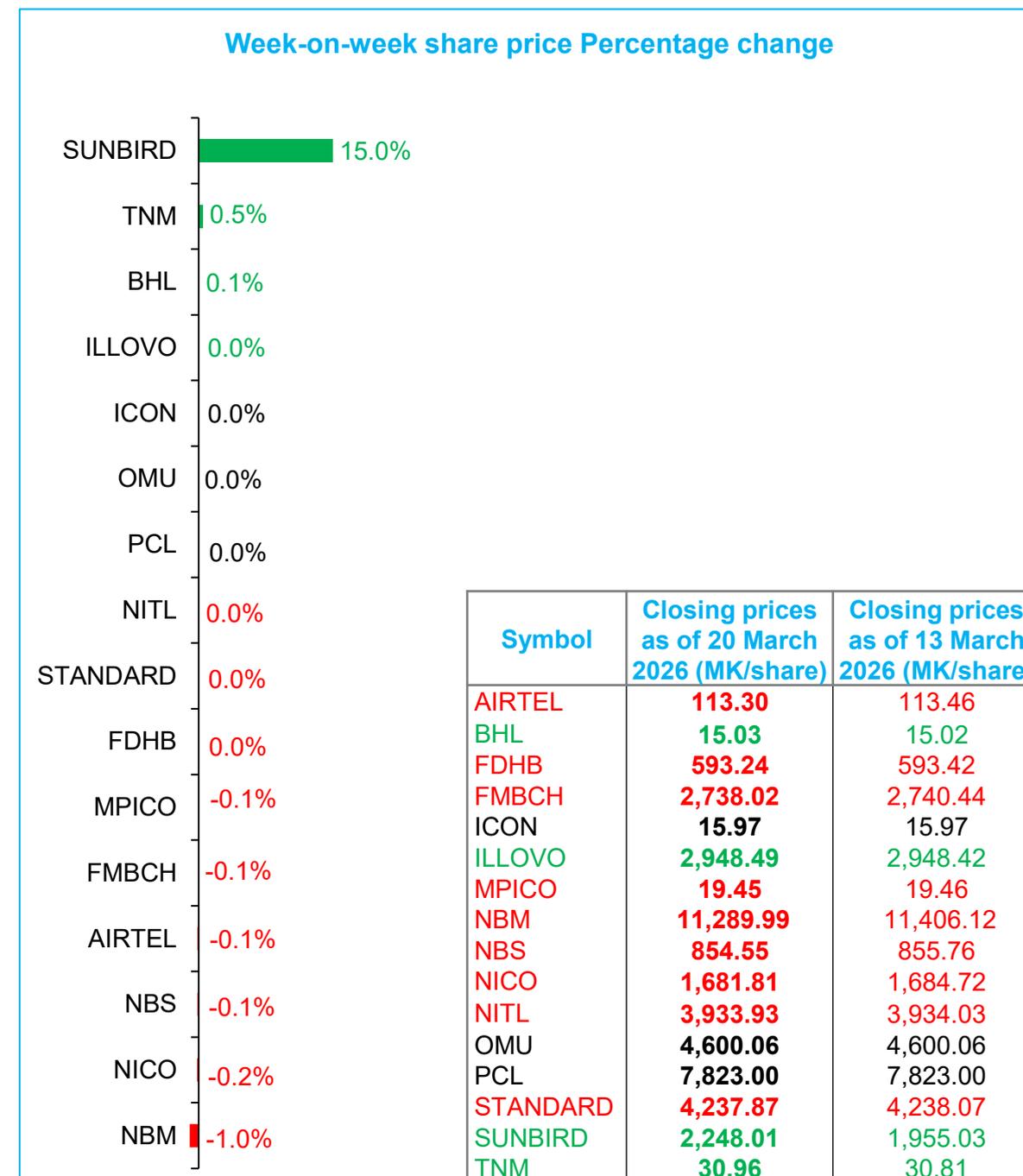
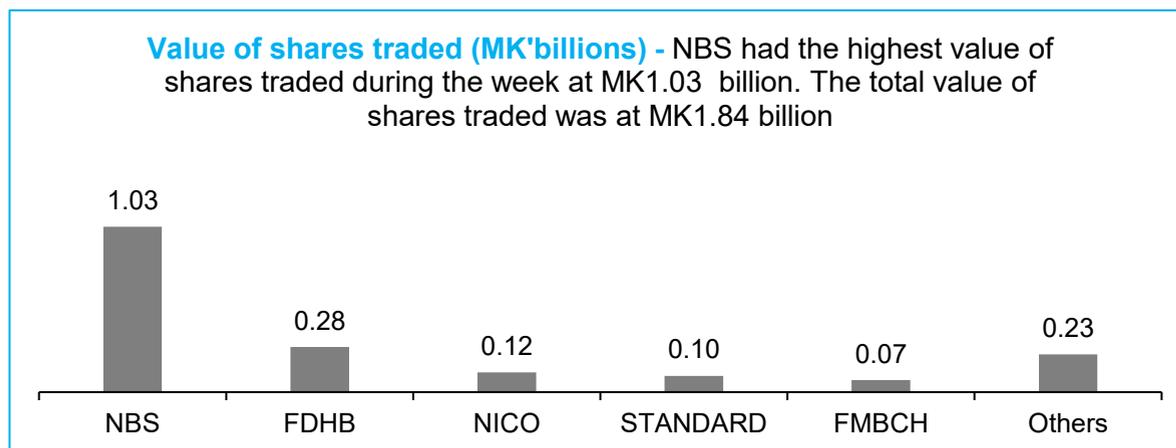
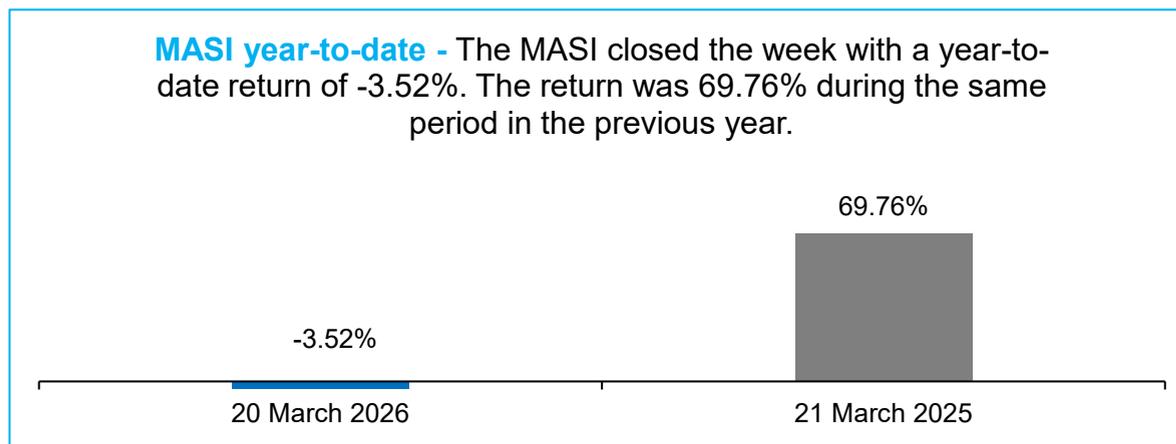
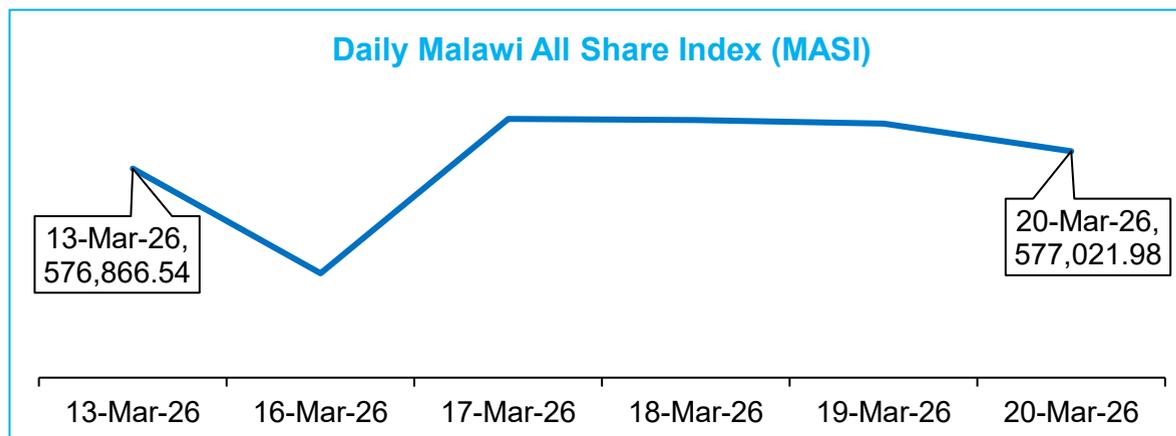


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Stock market (Source: MSE)

The stock market was bullish, with the Malawi All Share Index (MASI) increasing 577,021.98 points on 20 March 2026 from 576,866.54 points on 13 March 2026. This upward movement in the index was primarily driven by the share price gain in SUNBIRD.

The total value of shares traded was MK1.84 billion. NBS had the highest value of shares traded at MK1.03 million.



Symbol	Closing prices as of 20 March 2026 (MK/share)	Closing prices as of 13 March 2026 (MK/share)
AIRTEL	113.30	113.46
BHL	15.03	15.02
FDHB	593.24	593.42
FMBCH	2,738.02	2,740.44
ICON	15.97	15.97
ILLOVO	2,948.49	2,948.42
MPICO	19.45	19.46
NBM	11,289.99	11,406.12
NBS	854.55	855.76
NICO	1,681.81	1,684.72
NITL	3,933.93	3,934.03
OMU	4,600.06	4,600.06
PCL	7,823.00	7,823.00
STANDARD	4,237.87	4,238.07
SUNBIRD	2,248.01	1,955.03
TNM	30.96	30.81

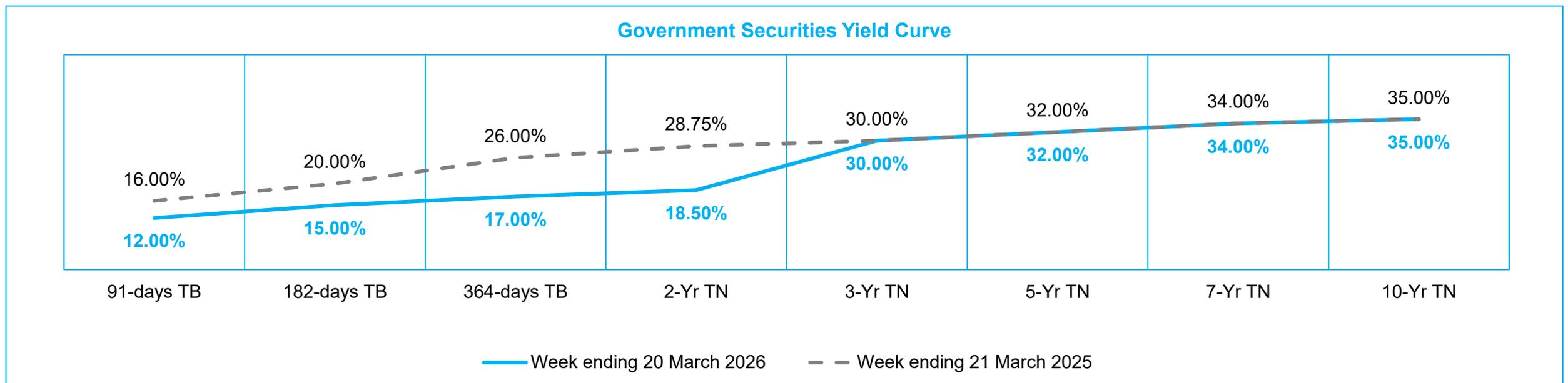
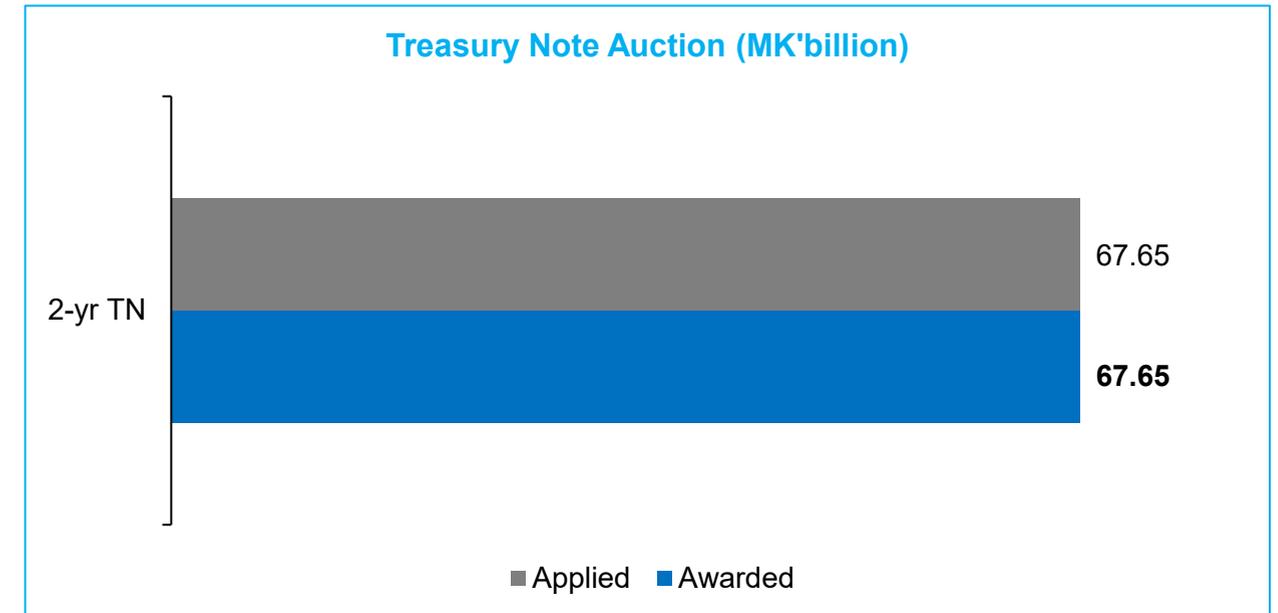
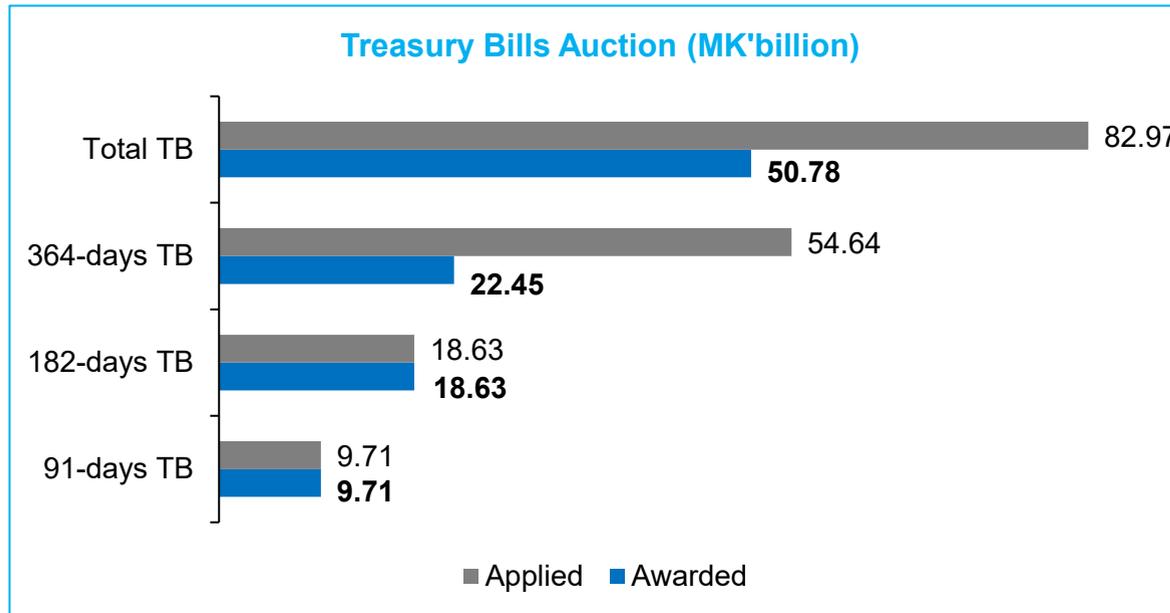


## Government Securities (Source: RBM)

The Reserve Bank of Malawi (RBM) held auctions for all tenors of Treasury Bills (TB) and the 2-year Treasury Note (TN) during the period under review.

A total of MK118.43 billion was raised from MK150.62 billion applications received across initial and reopening auctions.

During the period under review, there were no changes in yields across all tenors.



TB: Treasury Bill  
TN: Treasury Note



## Appendix 1: Historical Economic Indicators

	Mar-25	April-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	20-Mar-26
<b>Exchange Rates (middle rates)</b>													
MK/USD	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	<b>1,734.01</b>
MK/GBP	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	2,405.96	<b>2,394.35</b>
MK/EUR	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	2,108.23	<b>2,065.19</b>
MK/ZAR	98.15	96.28	100.76	100.57	100.34	101.77	103.60	103.58	103.68	107.63	113.67	112.37	<b>106.30</b>
<b>Foreign Exchange Reserves</b>													
Total Reserves (USD'mn)	536.0	530.0	521.0	555.9	607.7	523.9	511.8	526.8	530.0	N/A	N/A	N/A	N/A
<b>Inflation</b>													
Headline	30.5%	29.2%	27.7%	27.1%	27.3%	28.2%	28.7%	29.1%	27.9%	26.0%	24.9%	24.1%	N/A
Food	37.7%	35.8%	32.7%	31.6%	32.4%	33.7%	33.0%	32.4%	30.1%	26.5%	22.1%	20.8%	N/A
Non-food	19.2%	19.4%	20.0%	20.1%	19.3%	19.5%	21.7%	23.8%	24.2%	25.2%	29.8%	30.0%	N/A
<b>Interest Rates</b>													
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%	<b>24.00%</b>
Average Interbank Rate (Overnight)	23.19%	23.18%	23.82%	23.99%	23.98%	23.98%	23.98%	23.98%	23.98%	23.98%	23.98%	16.50 %	<b>13.39%</b>
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%	<b>24.20%</b>
Commercial Bank Reference Rate	25.10%	25.10%	25.20%	25.10%	25.30%	25.40%	25.30%	25.40%	25.30%	25.30%	25.20%	24.70%	<b>22.40%</b>
<b>Government Securities Yields</b>													
91-days Treasury Bill	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	15.00%	12.00%	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%	15.00%	15.00%
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%	17.90%	17.00%
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%	20.65%	18.50%
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%
<b>Year-to-date Return</b>													
MASI	69.52%	68.39%	64.58%	91.77%	124.53%	211.15%	236.67%	250.27%	259.98%	247.63%	-1.53%	-3.91%	<b>-3.54%</b>
DSI	56.52%	62.53%	62.41%	89.34%	120.03%	214.05%	236.40%	233.38%	217.65%	208.88%	0.30%	-0.75%	<b>-0.23%</b>
FSI	148.16%	103.82%	77.74%	106.49%	150.94%	195.28%	239.14%	348.11%	503.79%	470.87%	-7.19%	-13.69%	<b>-13.80%</b>

The 20 March 2026 exchange rates are Middle (TT) opening exchange rates as reported by the Reserve Bank of Malawi.

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