



Malawi Financial Market Update

Week ending 26 June 2026



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Market Developments

What happened this week

Lotus Resources Limited has temporarily stopped production at Kayelekera Uranium Mine in Karonga, citing a disruption in the third-party acid supply chain linked to geopolitical tensions in the Middle East and acid plant repair works.

FMB Capital Holdings Plc has signed a five-year strategic partnership with Visa Inc. to expand digital payments and advance financial inclusion across Southern Africa.

As of 25 June 2026, a cumulative USD164.33 million have been raised from tobacco sales, compared to USD306.09 million raised during the same period in the previous year.

1. According to the Agricultural Development and Marketing Corporation (Admarc) Chief Executive Officer (CEO), the corporation has spent MK4 billion buying maize from farmers, representing about 80% of the MK5 billion released by the Treasury for initial grain purchases. The CEO stated that the purchases are aimed at building national reserves ahead of a forecast El Niño season that could disrupt next year's harvests and ensure food availability during the lean period. Further to that, the CEO stated that funds are also being reserved for crop treatment and logistics to prevent post-harvest losses and support storage and transport. The CEO reported that delays in opening some depots were due to differences in regional crop maturity and technical challenges, including high maize moisture content in some areas. *(The Daily Times, 26 June 2026)*
2. Lindian Resources Limited has terminated its off-take agreement with Gerald Metals for monazite concentrate from the Kangankunde Rare Earths Project in Balaka District. The company reported that both parties mutually agreed to end the 2023 agreement for the sale and purchase of 45,000 metric tonnes over 60 months. Further to that, the Company stated that the termination will allow the company to be in full control of its sales pipelines, pricing, profitability, strategic jurisdictional strategies and sale quality. The Executive Director of Lindian Resources Limited reported that the project remains on schedule for first production, with commissioning targeted for October and November. The Kangankunde mine is projected to generate USD114 million (about MK205.2 billion) per year over 40 years. *(The Nation, 24 June 2026)*
3. FMB Capital Holdings Plc has signed a five-year strategic partnership with Visa Inc. to expand digital payments and advance financial inclusion across Southern Africa. The agreement brings together FMBCH, the parent company of First Capital Bank, and its subsidiaries in Botswana, Mozambique, Zambia, and Zimbabwe under a unified framework. The Managing Director of FMBCH group reported that the partnership will drive product innovation, infrastructure development, marketing initiatives, and capacity building. The Visa Cluster Head for Central and Southern Africa stated that the collaboration will strengthen its presence in Malawi and neighbouring markets by delivering scalable and innovative payment solutions for consumers, individuals, and small businesses. *(The Nation, 26 June 2026)*
4. Bakhresa Malawi Limited has shut down its wheat processing factory in Limbe, Blantyre City, blaming the foreign exchange shortage in the country. The company stated that the factory, which has not been operational since early June, normally processes 500 metric tonnes of wheat flour per day and supplies about 15,000 metric tonnes of flour products monthly, which will now be withdrawn from the market. *(The Nation, 25 June 2026)*
5. The Bankers Association of Malawi (BAM) has stated that its member banks are working to incentivise depositors amid reports of declining numbers. The President of BAM stated that banks are responding to challenges by introducing financial education initiatives, zero-balance accounts, reduced withdrawal fees and expanded agent networks, particularly in rural areas, to improve access to financial services. Statistics from the Deposit Insurance Corporation (DIC) show that deposit accounts in commercial banks declined by about 200,000 to 2.7 million from 2.9 million in 2023. Recent reports show innovations in the financial sector pose a big challenge to banks as depositors find cheaper and more convenient ways of sending and receiving money with mobile money services that are driving financial inclusion. *(The Daily Times, 24 June 2026)*
6. Lotus Resources Limited has temporarily stopped production at Kayelekera Uranium Mine in Karonga, citing a disruption in the third-party acid supply chain linked to geopolitical tensions in the Middle East and acid plant repair works. The company stated that before the suspension, the mine recorded improved performance, producing 73,600 pounds of uranium in May compared to 47,300 pounds in April, approaching a total production of 78,300 pounds for quarter one of the year 2026. The disruptions are now culminating in several contracted and prepaid deliveries being delayed or not fulfilled. The company indicated that steady-state production is expected later in the year, subject to acid supply and funding, while logistics and transport arrangements for uranium shipments are progressing. *(Lotus Resources Limited, 25 June 2026)*
7. The Malawi Government and the United States (US) have stated that they are engaging in discussions to address visa overstays that contributed to partial entry restrictions imposed by the President of US on nationals from 15 countries, including Malawi. The US Embassy Public Affairs Officer stated that a joint immigration working group between the two governments has met several times since June 2025 to address screening and vetting deficiencies, high overstay rates and other migration-related concerns. The Ministry of Foreign Affairs and International Cooperation reported that the engagements aim to understand the reasons behind the restrictions and reduce irregular migration. The US government reported in its overstay report that US data previously indicated Malawi's visa overstay rates at 22.45% for B-1/B-2 visas and 31.99% for F, M and J visas. *(The Nation, 26 June 2026)*
8. As of 25 June 2026, a cumulative USD164.33 million have been raised from tobacco sales, compared to USD306.09 million raised during the same period in the previous year. The earnings were generated from the sale of a cumulative 79.22 million kgs of tobacco at an average price of USD2.07/kg, compared to 121.46 million kgs sold at an average price of USD2.52/kg during the same period in the previous year. *(Auction Holdings Limited, 25 June 2026)*

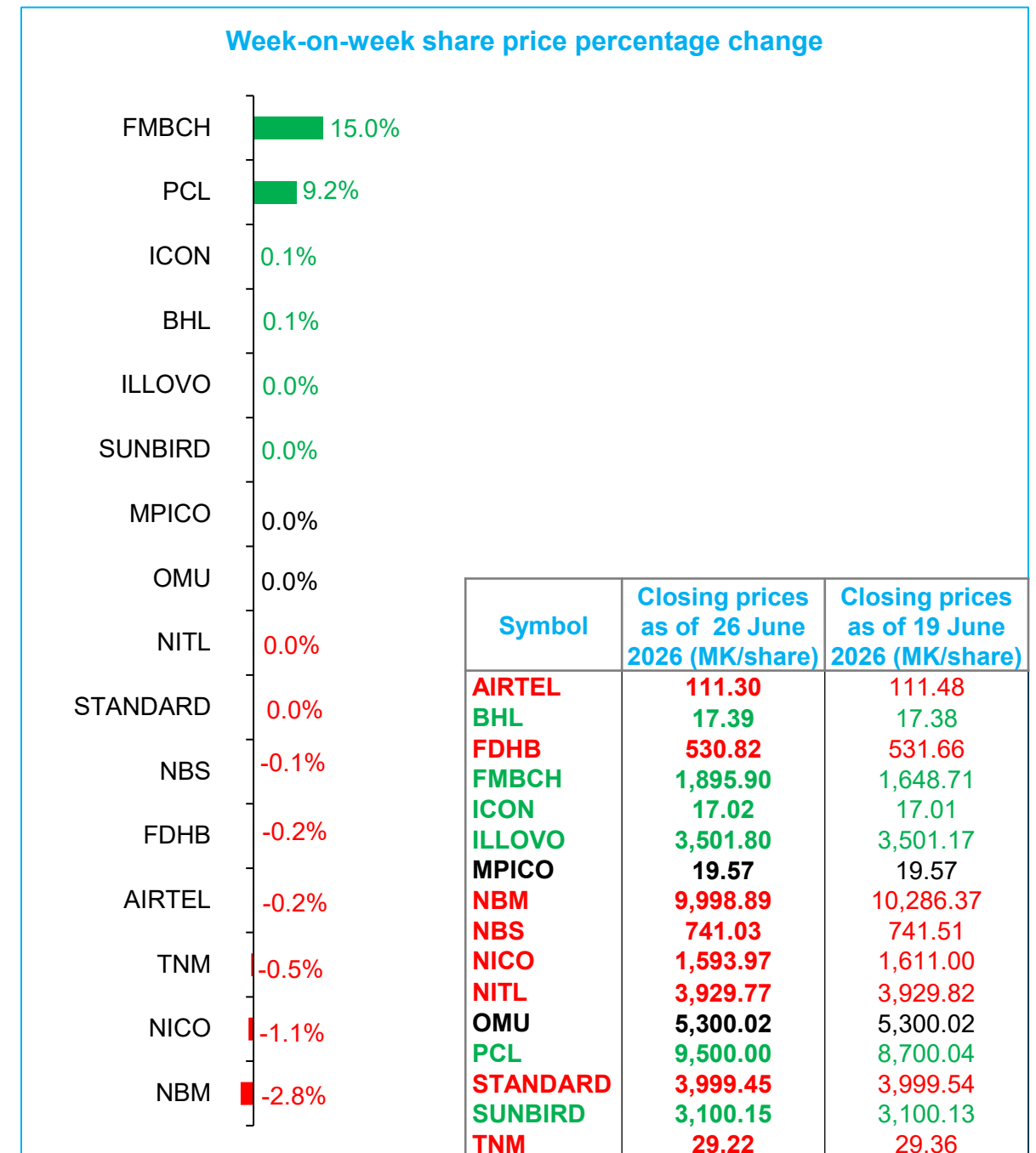
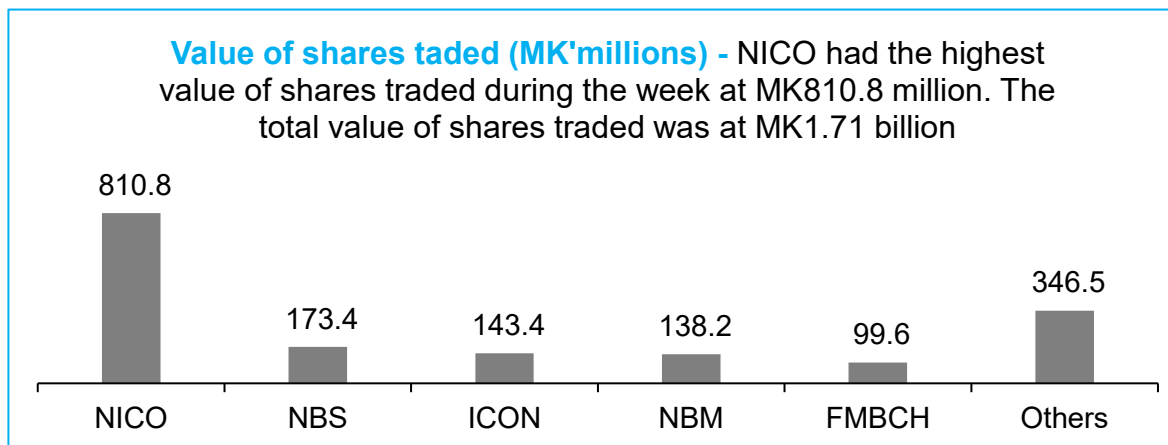
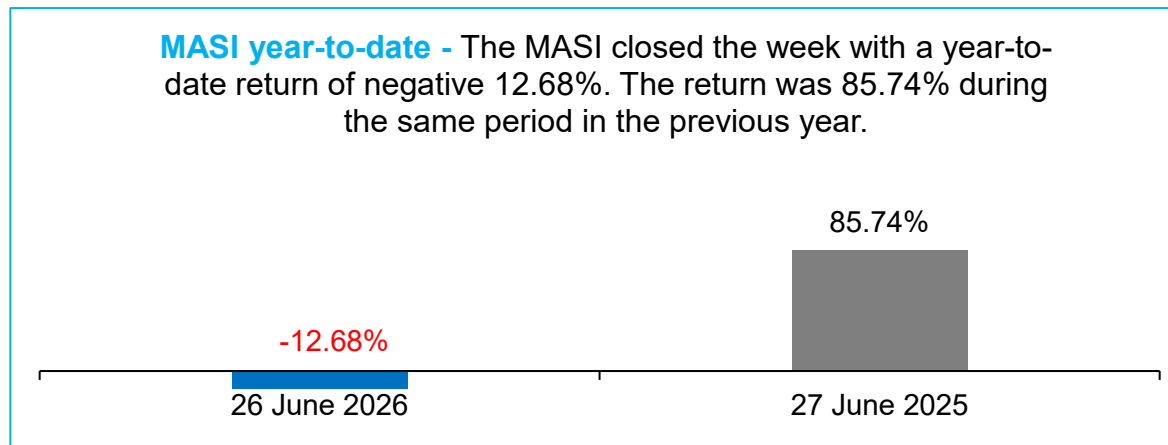
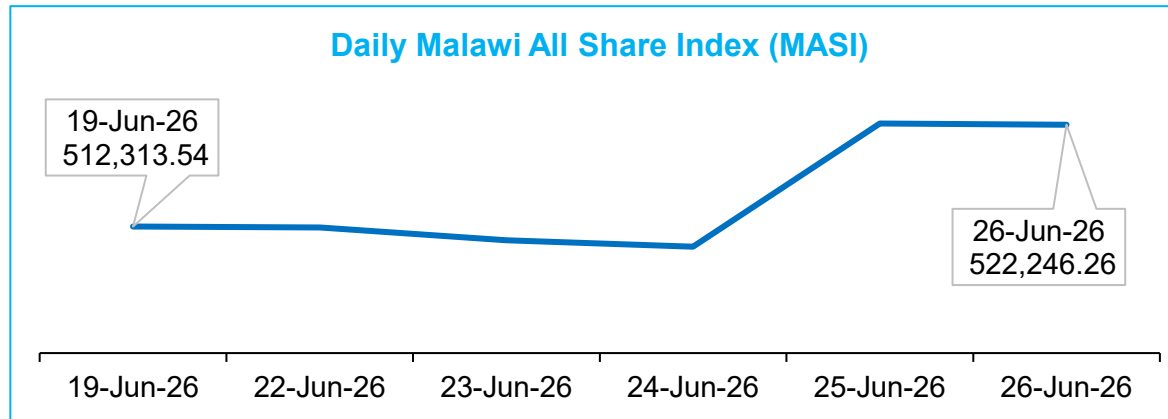


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Stock market (Source: MSE)

The stock market was bullish, with the Malawi All Share Index (MASI) increasing to 522,246.26 points on 26 June 2026 from 512,313.54 points on 19 June 2026. This upward movement in the index was primarily driven by the share price gains in FMBCH and PCL.

NBM Plc released a trading statement for the half-year ending 30 June 2026, forecasting profit after tax in the range of MK125.32 billion to MK142.14 billion. This represents an increase of between 49% and 69% from the MK84.11 billion reported during the corresponding period ended 30 June 2025.





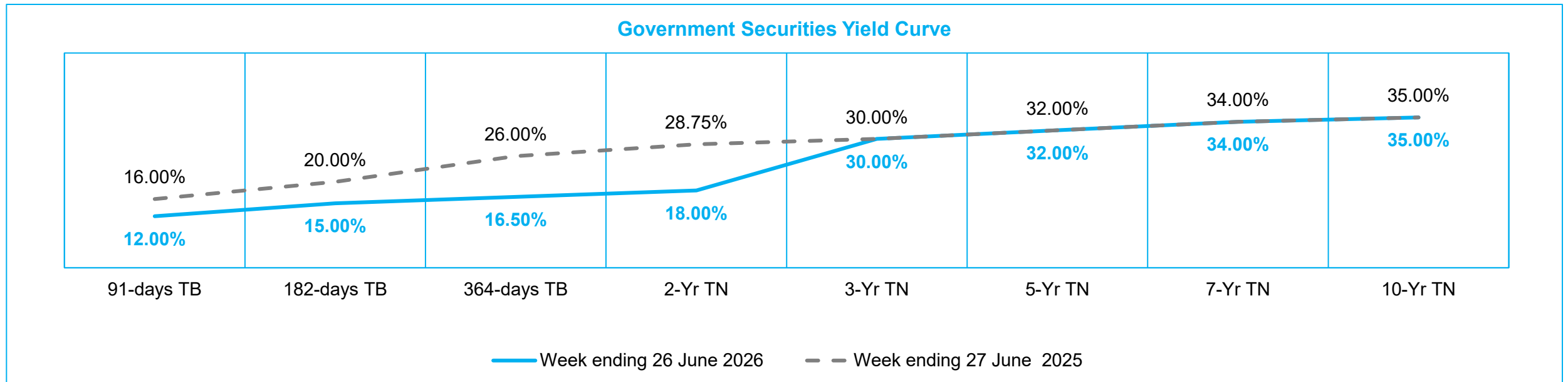
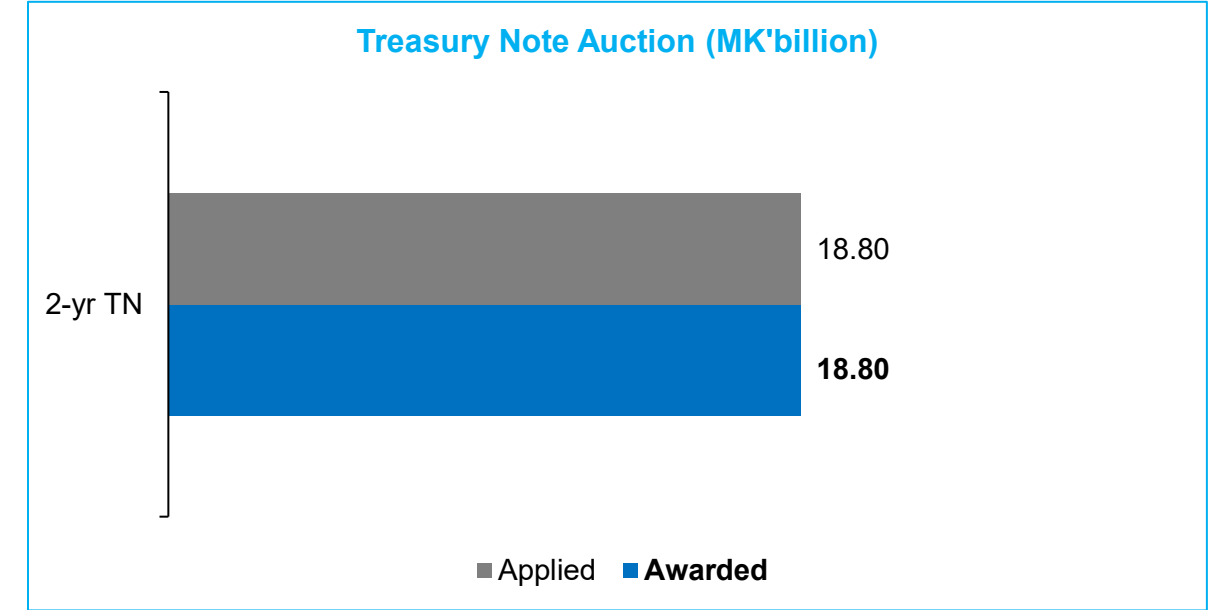
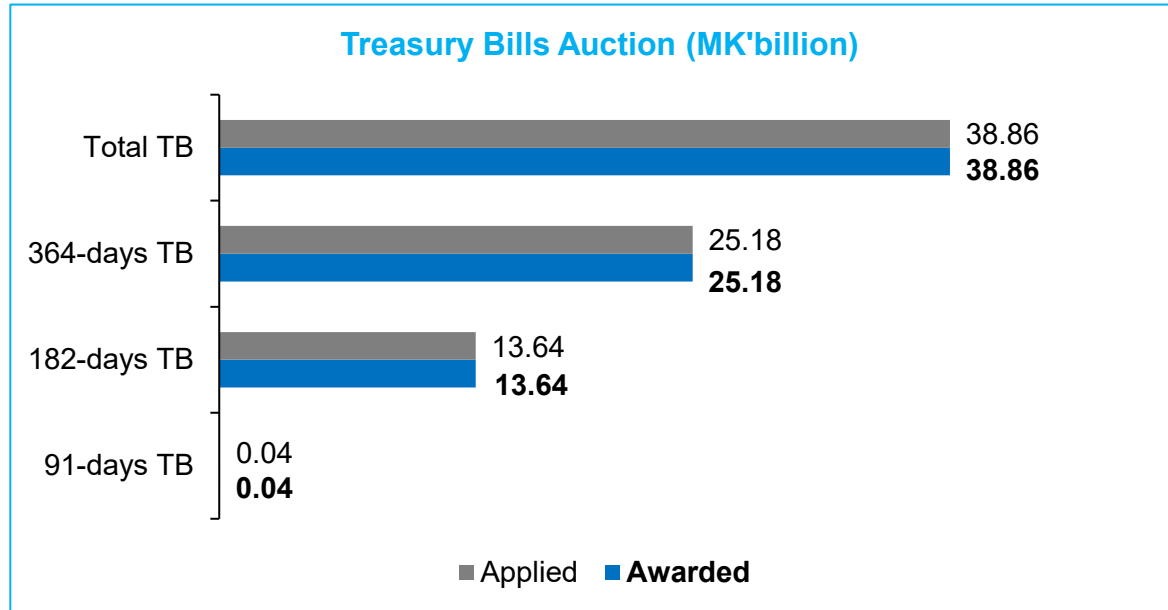
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Government Securities (Source: RBM)

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 MK57.65 billion was raised from the auctions.

The total amount raised from the 2-Year TN re-opening auction was MK18.80 billion

A total of MK38.86 billion was raised during the TB initial and re-opening auctions in the week under review.





Appendix 1: Historical Economic Indicators

	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	26-Jun-26
Exchange Rates (middle rates)													
MK/USD	1,750.48	1,750.58	1,749.95	1,750.37	1,749.95	1,750.07	1,749.00	1,749.55	1,750.45	1750.37	1,749.68	1,749.46	1,734.01
MK/GBP	2,473.04	2,408.88	2,424.53	2,423.25	2,371.39	2,377.10	2,416.04	2,456.90	2,424.72	2,377.41	2,426.11	2,421.11	2,357.92
MK/EUR	2,112.10	2,082.69	2,103.70	2,103.32	2,078.57	2,087.24	2,107.54	2,148.87	2,127.37	2068.11	2,099.68	2,099.68	2,031.79
MK/ZAR	100.57	100.34	101.77	103.60	103.58	103.68	107.63	113.67	113.20	104.66	107.04	107.04	108.35
Foreign Exchange Reserves													
Total Reserves (USD'mn)	555.9	607.7	523.9	511.8	526.8	530.0	608.9	664.9	625.7	571.6	N/A	N/A	N/A
Inflation													
Headline	27.1%	27.3%	28.2%	28.7%	29.1%	27.9%	26.0%	24.9%	24.1%	23.8%	24.3%	23.4%	N/A
Food	31.6%	32.4%	33.7%	33.0%	32.4%	30.1%	26.5%	22.1%	20.8%	20.0%	19.1%	17.6%	N/A
Non-food	20.1%	19.3%	19.5%	21.7%	23.8%	24.2%	25.2%	29.8%	30.0%	30.7%	33.2%	33.0%	N/A
Interest Rates													
Monetary Policy Rate	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	24.00%	24.00%	24.00%	24.00%
Average Interbank Rate (Overnight)	23.99%	23.98%	23.98%	23.98%	23.98%	23.98%	23.98%	23.98%	16.50 %	13.38%	12.86%	12.07%	12.30%
Lombard Rate	26.20%	26.20%	26.20%	26.20%	26.20%	26.20%	26.20%	26.20%	26.20%	24.20%	24.20%	24.20%	24.20%
Commercial Bank Reference Rate	25.10%	25.30%	25.40%	25.30%	25.40%	25.30%	25.30%	25.20%	24.70%	22.40%	20.80%	20.60%	20.40%
Government Securities Yields													
91-days Treasury Bill	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	15.00%	12.00%	12.00%	12.00%	12.00%	12.00%
182-days Treasury Bill	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	15.00%	15.00%	15.00%	15.00%	15.00%
364-days Treasury Bill	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	17.90%	17.00%	16.50%	16.50%	16.50%
2-year Treasury Note	28.75%	28.75%	28.75%	28.75%	28.75%	28.75%	28.75%	28.75%	20.65%	18.00%	18.00%	18.00%	18.00%
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	91.77%	124.53%	211.15%	236.67%	250.27%	259.98%	247.63%	-1.53%	-3.91%	-3.80%	-12.32%	-14.15%	-12.68%
DSI	89.34%	120.03%	214.05%	236.40%	233.38%	217.65%	208.88%	0.30%	-0.75%	-0.43%	-2.74%	-3.45%	-3.98%
FSI	106.49%	150.94%	195.28%	239.14%	348.11%	503.79%	470.87%	-7.19%	-13.69%	-14.21%	-41.89%	-47.16%	-39.55%

The 26 June 2026 exchange rates are Middle (TT) opening exchange rates as reported by the Reserve Bank of Malawi.

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