



Malawi Financial Market Update

Week ending 3 July 2026



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Market Developments

What happened this week

CHL has launched an Initial Public Offering (IPO), marking the first public sale of its shares ahead of its planned listing on the Malawi Stock Exchange on 3 August 2026. The total value of the offer is MK146.90 billion

FDH Bank Plc, through its Corporate and Institutional Banking (CIB) division, has extended a MK100 billion credit facility to Roads Fund Administration to finance the rehabilitation of the Golomoti–Monkey Bay Turnoff Road corridor along the M10 route

As of 2 July 2026, a cumulative USD180.96 million has been raised from tobacco sales, compared to USD338.70 million raised during the same period in the previous year

1. Continental Holdings Limited (CHL) has launched an Initial Public Offering (IPO), marking its first public sale of shares in anticipation of its planned listing on the Malawi Stock Exchange (MSE) on 3 August 2026. This will make it the 17th company currently listed on the stock market. The IPO includes an offer for sale of 753,308,604 ordinary shares at MK195 per share. Notably, 25% of all existing shares are being offered to the public making the total value of the offer MK146.90 billion. Continental Holdings Limited owns 100% of several subsidiaries, including Continental Asset Management Limited (CAM), Continental Capital Limited (CCL), Continental Properties Limited, Continental Pension Services Limited (CPSL), CDH Commodities (CDHC) Limited, and Continental Asset Management Nominees Limited (CAMN). Additionally, it holds an 82.46% stake in CDH Investment Bank (CDHIB), with all subsidiaries registered in Malawi. *(CHL Limited, 30 June 2026)*
2. The Reserve Bank of Malawi (RBM) announced that more than MK26 billion in unpaid pension contributions has been recovered since the establishment of its Pension Employer Compliance and Support Department (PECOS) in 2025. PECOS officials stated that the department has conducted over 1,200 inspections across 11 districts and issued compliance notices to more than 917 non-compliant employers. Additionally, PECOS strengthened enforcement of the Pensions Act by ensuring employers register employees for pensions and remit deducted contributions. The RBM Spokesperson further noted that non-compliance and failure to remit pension contributions remain a major challenge. *(The Daily Times, 3 July 2026)*
3. According to the Ministry of Industrialisation, Trade, Business and Tourism, Malawi is taking steps to align its production and trade systems with new United Kingdom (UK) and European Union (EU) regulations that will require greater product traceability, compliance with food safety standards, and adherence to environmental and human rights requirements. Further to that, the Food and Agriculture Organisation (FAO) is supporting the introduction of a Geographical Indication (GI) system to enhance the traceability, credibility, and competitiveness of Malawi's unique agricultural products in premium export markets. *(The Daily Times, 3 July 2026)*
4. Lindian Resources officially launched the Kangankunde Rare Earth mining project in Balaka in partnership with Rift Valley Resource Developments following a first controlled blast that marked the start of active mining operations. The project has already created about 3,500 jobs, with 80% being Malawians. It is based on an estimated 261 million tonnes of rare earth resources and is projected to generate about USD114 million annually (approximately MK205.2 billion) over more than 45 years. *(The Nation, 2 July 2026)*
5. FDH Bank Plc, through its Corporate and Institutional Banking (CIB) division, has extended a MK100 billion credit facility to Roads Fund Administration to finance the rehabilitation of the Golomoti–Monkey Bay Turnoff Road corridor along the M10 route. The bank stated that the project supports the Malawi Government's strategy to improve transport connectivity while stimulating trade and tourism. Further to that, FDH Bank indicated that the rehabilitation is expected to enhance economic and tourism activities by improving access to Lake Malawi *(FDH Bank, 2 July 2026)*
6. Press Corporation Plc has released its trading statement for the period ended 30 June 2026, indicating that consolidated profit after tax for the half year is expected to range between MK128.98 billion and MK148.13 billion. This represents an increase of between 37% and 57% compared to the MK94.39 billion profit after tax recorded in the corresponding period of the previous year. *(Press Corporation Plc, 30 June 2026)*
7. NICO Holdings Plc has released its trading statement for the period ended 30 June 2026, indicating that consolidated profit after tax for the half year is expected to range between MK91 billion and MK101 billion. This represents a decline of between 27% and 19% compared to the MK125 billion profit after tax recorded in the corresponding period of the previous year. *(NICO Holdings Plc, 30 June 2026)*
8. FDH Bank Plc has released its trading statement for the period ended 30 June 2026, indicating that consolidated profit after tax for the half year is expected to range between MK85.6 billion and MK91.7 billion. This represents an increase of between 42% and 52% compared to the MK60.3 billion profit after tax recorded in the corresponding period of the previous year. *(FDH Bank Plc, 30 June 2026)*
9. As of 2 July 2026, a cumulative USD180.96 million have been raised from tobacco sales, compared to USD338.70 million raised during the same period in the previous year. The earnings were generated from the sale of a cumulative 87.62 million kgs of tobacco at an average price of USD2.07/kg, compared to 133.92 million kgs sold at an average price of USD2.53/kg during the same period in the previous year. *(Auction Holdings Limited, 2 July 2026)*
10. The commercial bank reference rate for July 2026 is 20.50%, up from the June 2026 reference rate of 20.40%. The reference rate is effective 3 July 2026. *(First Capital Bank, 2 July 2026)*



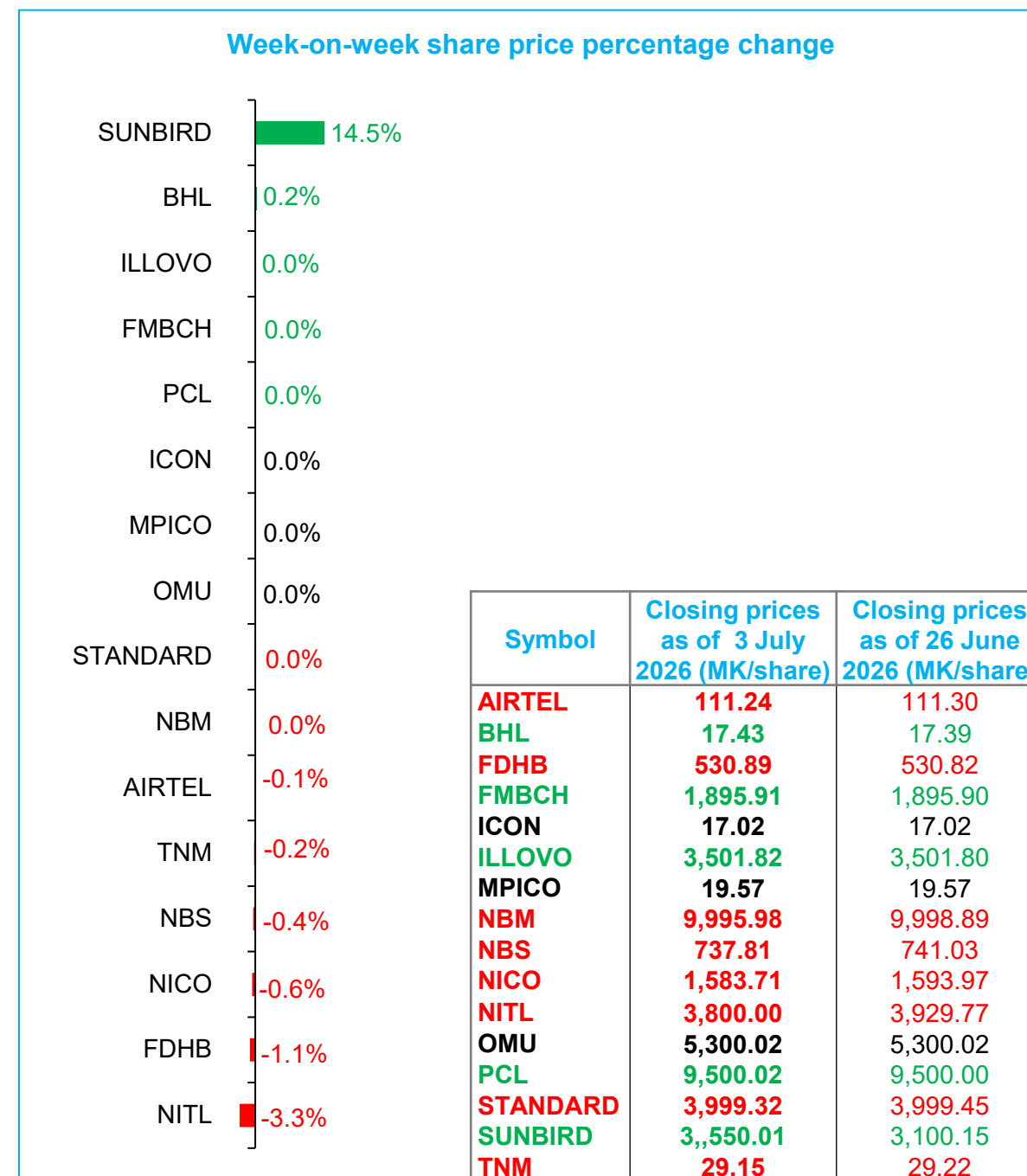
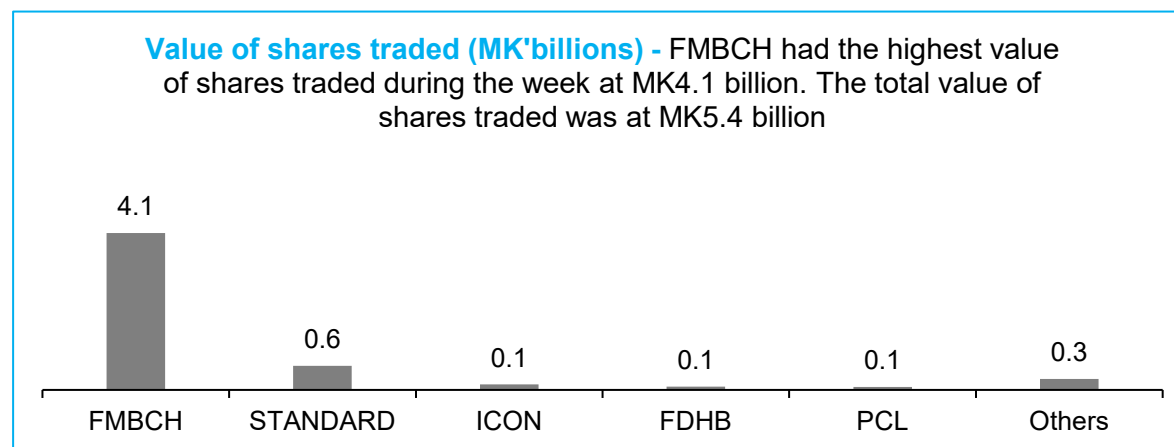
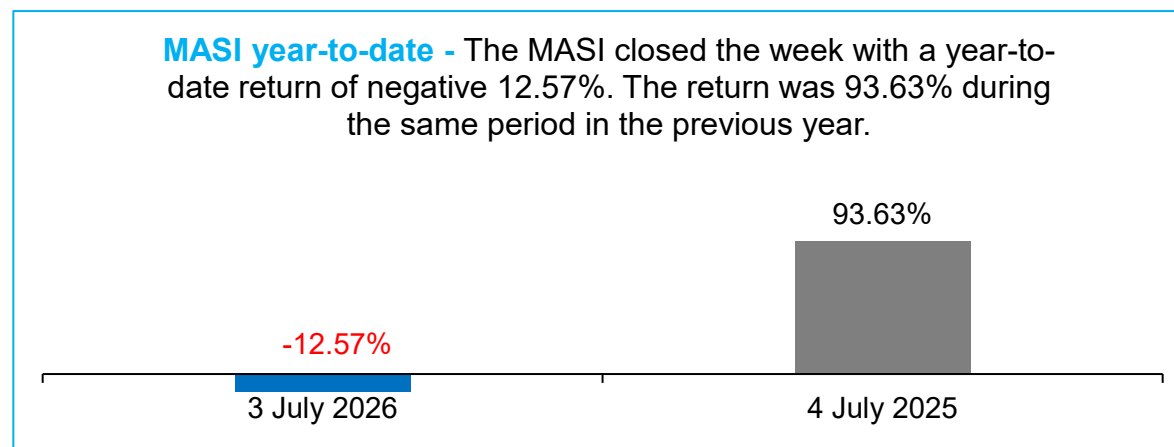
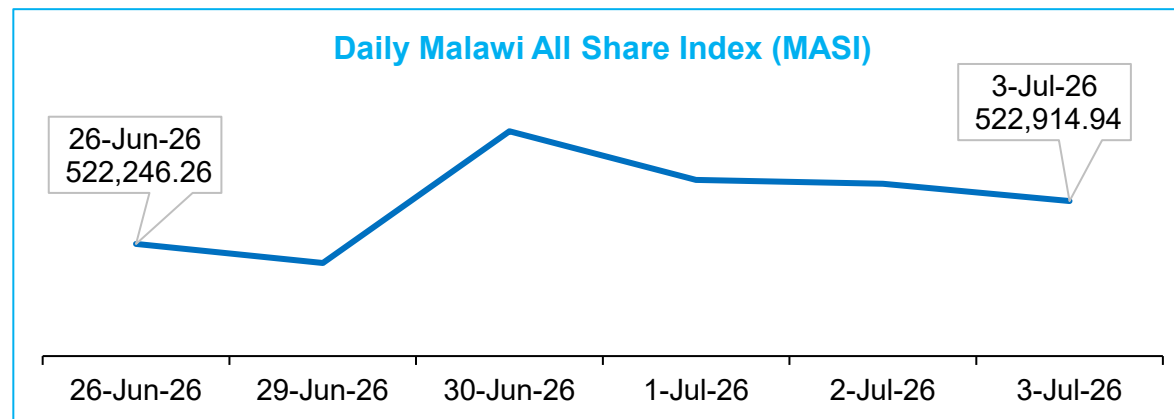
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Stock market (Source: MSE)

The stock market was marginally bullish, with the Malawi All Share Index (MASI) increasing to 522,914.94 points on 3 July 2026 from 522,246.26 points on 26 June 2026. This upward movement in the index was primarily driven by the share price gain in SUNBIRD.

Standard Bank Plc declared a final dividend of MK18.16 billion representing MK15.47 per share for the year ended 31 December 2025. The final day of registration is 10 July 2026.

Sunbird Tourism Plc declared a final dividend of MK3.02 billion, representing MK11.54 per share for the year ended 31 December 2025. The final day of registration is 31 July 2026.



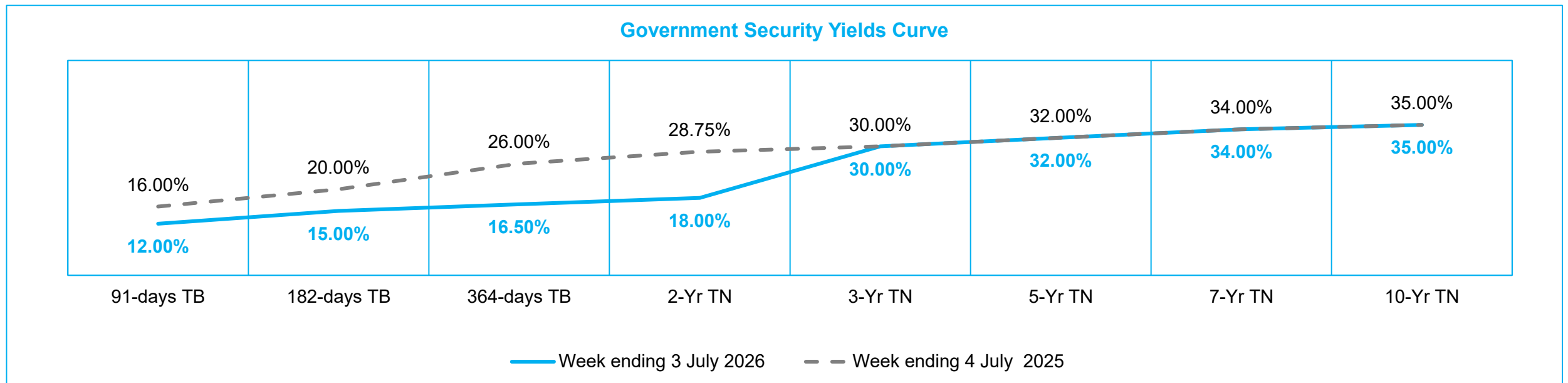
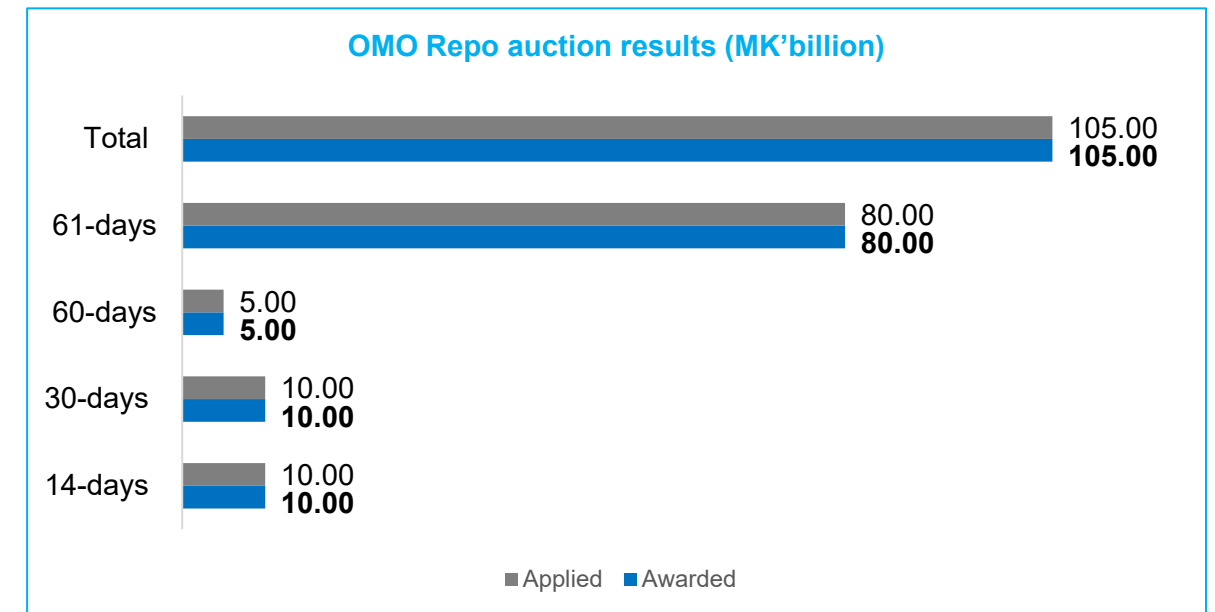
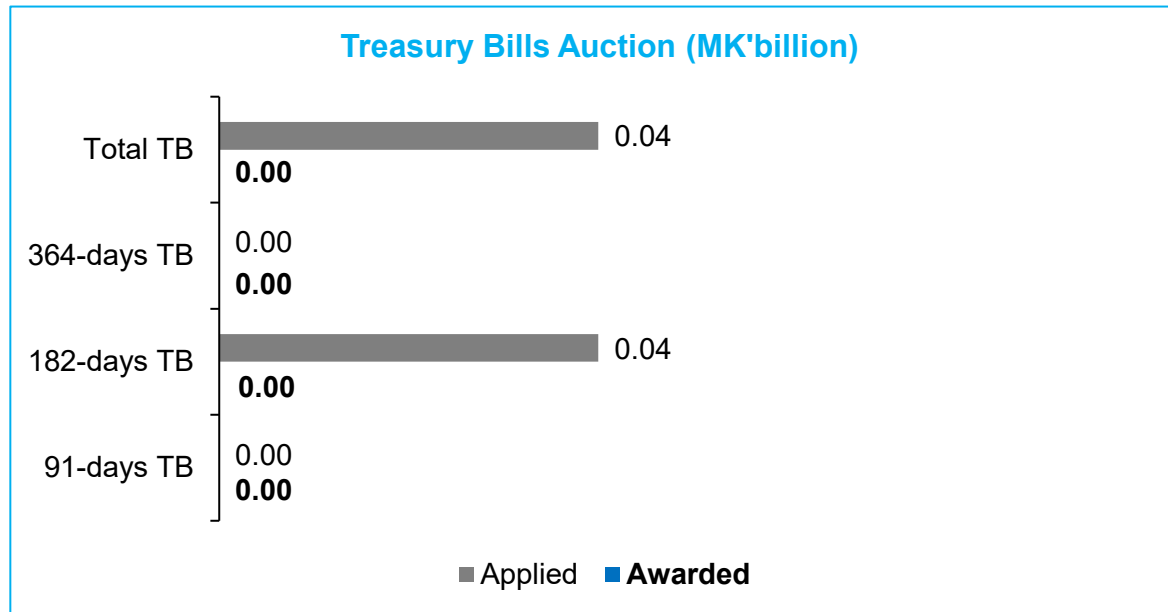


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Government Securities (Source: RBM)

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. No funds were raised.

The RBM held Open Market Repurchase Agreements (OMO Repos) on 1 and 3 July 2026 for the 14-, 30-, 60- and 61-day tenors. A total of MK105 billion was withdrawn from the market, with all tenors having a yield of 16%.





Appendix 1: Historical Economic Indicators

	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	3-Jul-26
Exchange Rates (middle rates)													
MK/USD	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	1,749.93	1,734.01
MK/GBP	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	2,382.83	2,388.82
MK/EUR	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	2,054.62	2,046.44
MK/ZAR	100.34	101.77	103.60	103.58	103.68	107.63	113.67	113.20	104.66	107.04	107.04	109.07	110.34
Foreign Exchange Reserves													
Total Reserves (USD'mn)	607.7	523.9	511.8	526.8	530.0	608.9	664.9	625.7	571.6	N/A	N/A	N/A	N/A
Inflation													
Headline	27.3%	28.2%	28.7%	29.1%	27.9%	26.0%	24.9%	24.1%	23.8%	24.3%	23.4%	N/A	N/A
Food	32.4%	33.7%	33.0%	32.4%	30.1%	26.5%	22.1%	20.8%	20.0%	19.1%	17.6%	N/A	N/A
Non-food	19.3%	19.5%	21.7%	23.8%	24.2%	25.2%	29.8%	30.0%	30.7%	33.2%	33.0%	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%	24.00%	24.00%	24.00%	24.00%	24.00%
Average Interbank Rate (Overnight)	23.98%	23.98%	23.98%	23.98%	23.98%	23.98%	23.98%	16.50 %	13.38%	12.86%	12.07%	12.20%	12.50%
Lombard Rate	26.20%	26.20%	26.20%	26.20%	26.20%	26.20%	26.20%	26.20%	24.20%	24.20%	24.20%	24.20%	24.20%
Commercial Bank Reference Rate	25.30%	25.40%	25.30%	25.40%	25.30%	25.30%	25.20%	24.70%	22.40%	20.80%	20.60%	20.40%	20.50%
Government Securities Yields													
91-days Treasury Bill	16.00%	16.00%	16.00%	16.00%	16.00%	16.00%	15.00%	12.00%	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%	15.00%	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%	17.90%	17.00%	16.50%	16.50%	16.50%	16.50%
2-year Treasury Note	28.75%	28.75%	28.75%	28.75%	28.75%	28.75%	28.75%	20.65%	18.00%	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	124.53%	211.15%	236.67%	250.27%	259.98%	247.63%	-1.53%	-3.91%	-3.80%	-12.32%	-14.15%	-12.38%	-12.57%
DSI	120.03%	214.05%	236.40%	233.38%	217.65%	208.88%	0.30%	-0.75%	-0.43%	-2.74%	-3.45%	-3.59%	-3.83%
FSI	150.94%	195.28%	239.14%	348.11%	503.79%	470.87%	-7.19%	-13.69%	-14.21%	-41.89%	-47.16%	-39.55%	-39.55%

The 3 July 2026 exchange rates are Middle (TT) opening exchange rates as reported by the Reserve Bank of Malawi.

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