Malawi Financial Market Update

Week ending 14 August 2026

Bridgepath Capital
Invest to Achieve

Malawi Financial Market Update: Week ending 14 August 2026

Market Developments

What happened this week

Continental Holdings plc (CHL), the parent company of CDH Investment Bank and other financial services businesses, listed on the Malawi Stock Exchange (MSE) on 10 August 2026, becoming the 17th listed counter.

Malawi's five water boards have received approval for new tariffs, with increases ranging from 11% to 70%. The Central Region Water Board (CRWB) recorded the largest increase in domestic water tariffs at 70%, followed by the Southern Region Water Board (SRWB) at 50%.

As of 13 August 2026, a cumulative USD269.87 million has been raised from tobacco sales, compared to USD495.26 million raised during the same period in the previous year.

1. According to the Malawi Revenue Authority (MRA), the Kalondola initiative has improved accountability and increased excise tax revenue. The MRA Head of Corporate Affairs stated that some local manufacturers have recorded revenue increases of up to 200%. Introduced in 2024 following an amendment to the Customs and Excise (Excise Tax Stamps) Regulations, the system uses machines installed on production lines to track excisable products, which allows MRA to verify production volumes and tax obligations. MRA has installed 22 machines at 14 sites, including Castel Malawi, Chibuku Products Limited, Rab Processors, Coca-Cola and Nyasa Manufacturing Company. The system also monitors imported excisable products at borders to ensure tax stamps are genuine and properly applied. The initiative is aimed at reducing counterfeit and illicit products, improving domestic revenue mobilisation and helping consumers verify genuine products through the Kalondola 365 application. *(The Nation, 10 August 2026)*
2. The Minister of Energy has commissioned the 10 Megawatts(MW) Salima Solar Power Plant, the first phase of a 50MW Electricity Generation Company of Malawi (Egenco) planned project, to help address frequent electricity blackouts and improve access to electricity. The project is expected to support economic activity by reducing power disruptions. Egenco currently supplies 444MW to the national grid, comprising 390MW from hydro, 53MW from diesel and 1.3MW from solar. *(The Nation, 11 August 2026)*
3. Continental Holdings plc (CHL), the parent company of CDH Investment Bank and other financial services businesses, listed on the Malawi Stock Exchange (MSE) on 10 August 2026, becoming the 17th listed counter and ending a six-year drought since the listing of FDH Bank in 2020. The IPO attracted 701.8 million shares worth MK135.4 billion, representing a 93% subscription rate, with more than 10,000 individual and institutional investors joining the shareholder base. *(The Nation,11 August 2026)*
4. Malawi's five water boards have received approval for new tariffs, with increases ranging from 11% to 70%. The Central Region Water Board (CRWB) recorded the largest increase in domestic water tariffs at 70%, followed by the Southern Region Water Board (SRWB) at 50%. The Northern Region Water Board (NRWB) and Blantyre Water Board (BWB) increased tariffs by approximately 36%, while the Lilongwe Water Board (LWB) raised tariffs by 20%. The tariff increases come as the five boards recorded an average non-revenue water of 33.4% in 2025, above the 25% international benchmark, while several boards continue to face financial losses and unpaid bills. *(The Nation, 12 August 2026)*
5. Lotus Resources Limited has announced that acid production and uranium processing have resumed at the Kayelekera Uranium Mine in Malawi following a suspension in June 2026. The suspension came due to disruptions in third-party acid supply and a setback in commissioning the acid plant. The Managing Director stated that the company was pleased with the restart of processing, with uranium drumming expected to follow shortly, while processing optimisation and critical maintenance continued during the suspension. The acid plant is expected to provide improved acid supply security and significantly reduced reagent costs, with sufficient sulphur inventory and supply visibility for the remainder of 2026. *(Lotus Resources Limited, 12 August 2026)*
6. Standard Bank Plc released its abridged half-year financial statements for the six months ended 30 June 2026, reporting a 39% increase in profit after tax to MK67.47 billion, up from MK48.39 billion in the corresponding period in 2025. Net interest income also increased to MK127.99 billion, compared to MK112.22 billion during the same period in the previous year. Earnings per share (EPS) rose by 39% to MK57.52, from MK41.26 in the six months ended 30 June 2025. *(Standard Bank Plc, 13 August 2026)*
7. The Malawi Government has invested MK16 billion in measures to strengthen food security and prepare for the anticipated El Niño, including MK10.8 billion for 800 solar-powered irrigation systems. The systems are expected to benefit 8,000 farmers, bring 4,000 hectares under irrigation and produce 100,000 metric tonnes of food during the 2026/27 lean season. The remaining MK5.2 billion will fund farmer training, equipment distribution and installation, as well as fertiliser and seed distribution. The investment comes as the 2026 Malawi Vulnerability Assessment Committee report projects 2.6 million people, or 14% of the population, will face food shortages between October and March. *(The Nation, 10 August 2026)*
8. As of 13 August 2026, a cumulative USD269.87 million has been raised from tobacco sales, compared to USD495.26 million raised during the same period in the previous year. The earnings were generated from the sale of a cumulative 135.32 million kgs of tobacco at an average price of USD1.99/kg, compared to 195.00 million kgs sold at an average price of USD2.54/kg during the same period in the previous year. *(Auction Holdings Limited, 13 August 2026)*

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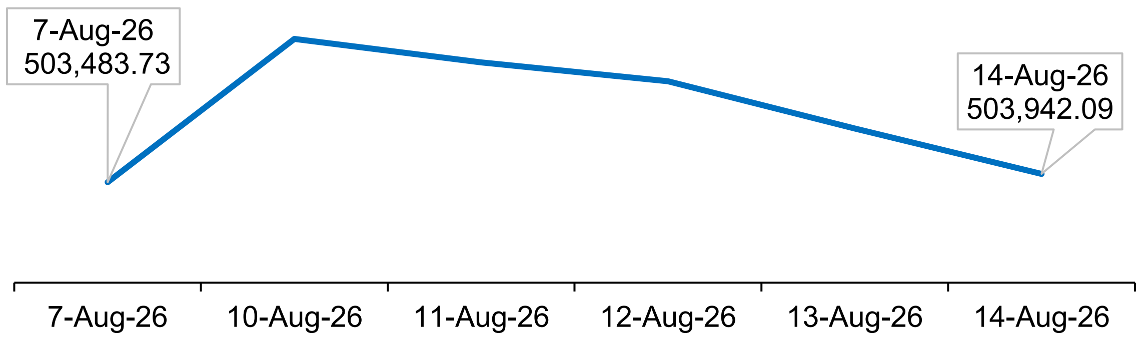
Stock market (Source: MSE)

The stock market was marginally bullish, with the Malawi All Share Index (MASI) increasing to 503,942.09 points on 14 August 2026 from 503,483.73 points on 7 August 2026.

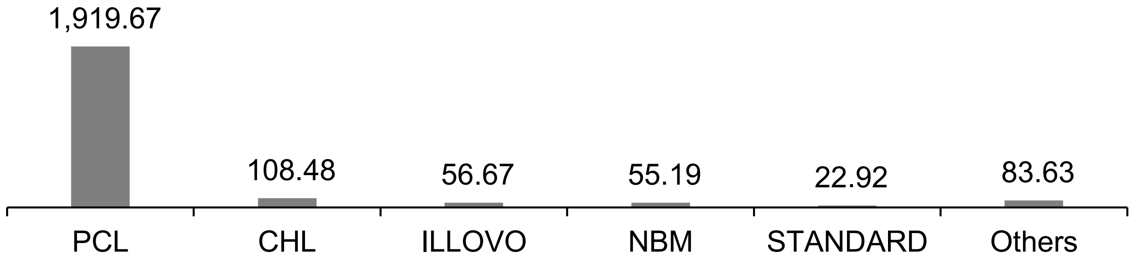
Following its listing, CHL closed the week at MK216.63 per share, up from its listing price of MK195.00 per share.

Daily Malawi All Share Index (MASI)

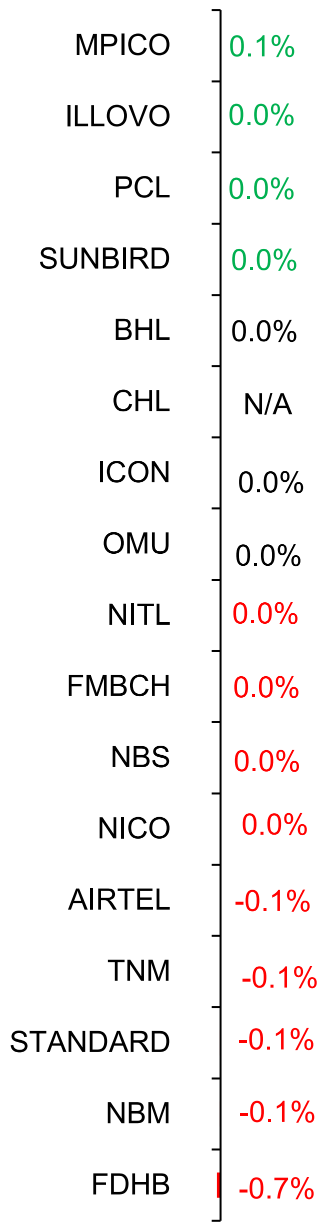


MASI year-to-date - The MASI closed the week with a year-to-date return of -15.74%. It was 161.37% during the same period in the previous year.

Value of shares traded (MK'millions) - PCL had the highest value of shares traded during the week at MK1.92 billion. The total value of shares traded was MK2.25 billion



Week-on-week share price percentage change



Symbol	Closing prices as of 14 August 2026 (MK/share)	Closing prices as of 7 August 2026 (MK/share)
AIRTEL	102.86	102.92
BHL	17.51	17.51
CHL	216.63	N/A
FDHB	494.70	499.11
FMBCH	1,895.38	1,895.71
ICON	17.00	17.00
ILLOVO	3,502.12	3,501.99
MPICO	19.61	19.59
NBM	9,399.80	9,413.89
NBS	659.86	659.86
NICO	1,344.87	1,344.87
NITL	3,599.99	3,599.99
OMU	5,300.02	5,300.02
PCL	9,521.77	9,521.77
STANDARD	3,995.73	3,995.73
SUNBIRD	3,550.00	3,550.00
TNM	28.55	28.57

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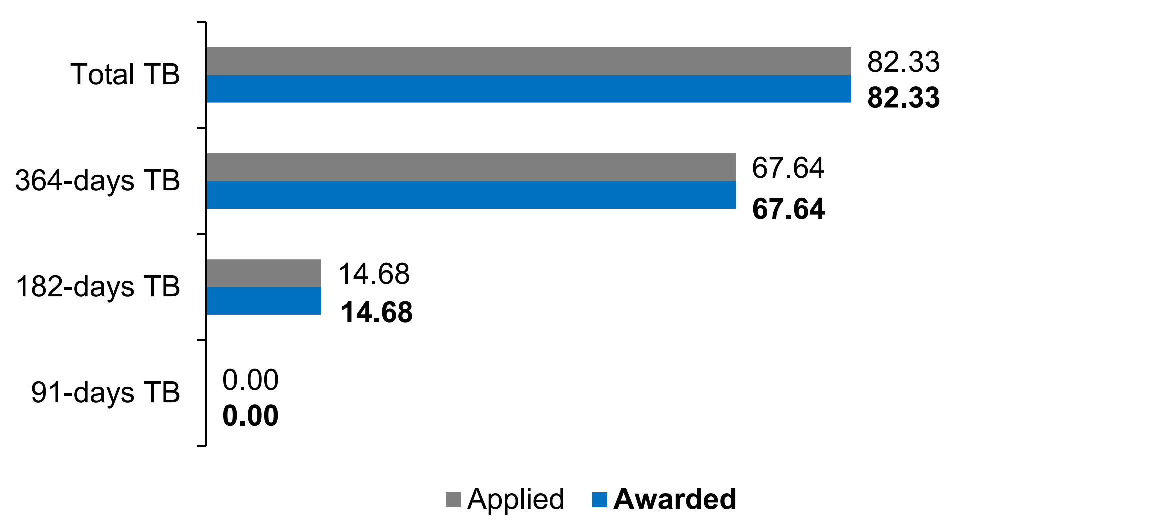
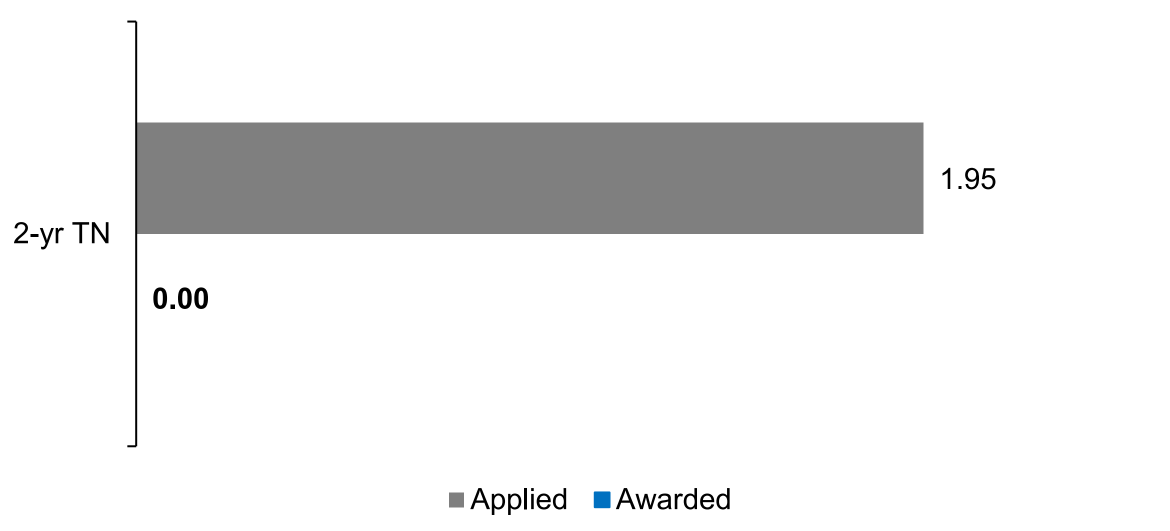
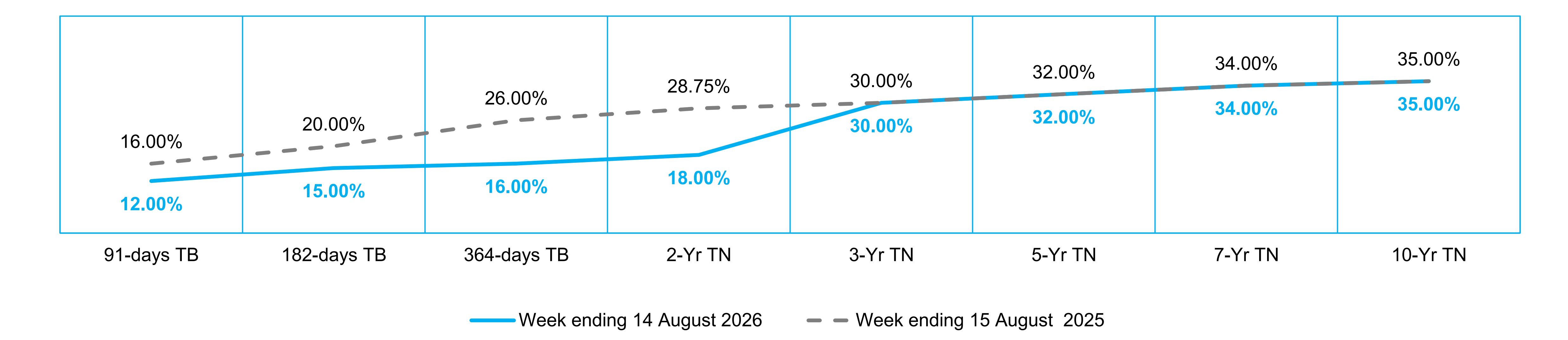
Government Securities (Source: RBM)

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 MK82.33 billion was raised from MK84.28 billion in applications during the week ended 14 August 2026.







Appendix 1: Historical Economic Indicators

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	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	14-Aug-26
Exchange Rates (middle rates)													
MK/USD	1,749.95	1,750.37	1,749.95	1,750.07	1,749.00	1,749.55	1,750.45	1,750.37	1,749.68	1,749.46	1,749.93	1,750.55	**1,734.01**
MK/GBP	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	2,422.03	**2,410.79**
MK/EUR	2,103.70	2,103.32	2,078.57	2,087.24	2,107.54	2,148.87	2,127.37	2,068.11	2,099.68	2,099.68	2,054.62	2,072.04	**2,060.90**
MK/ZAR	101.77	103.60	103.58	103.68	107.63	113.67	113.20	104.66	107.04	107.04	109.07	107.90	**110.26**
Foreign Exchange Reserves													
Total Reserves (USD'mn)	523.9	511.8	526.8	530.0	608.9	664.9	625.7	571.6	619.8	596.5	N/A	N/A	**N/A**
Inflation													
Headline	28.2%	28.7%	29.1%	27.9%	26.0%	24.9%	24.1%	23.8%	24.3%	23.4%	21.1%	N/A	**N/A**
Food	33.7%	33.0%	32.4%	30.1%	26.5%	22.1%	20.8%	20.0%	19.1%	17.6%	14.7%	N/A	**N/A**
Non-food	19.5%	21.7%	23.8%	24.2%	25.2%	29.8%	30.0%	30.7%	33.2%	33.0%	32.1%	N/A	**N/A**
Interest Rates													
Monetary Policy Rate	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	26.00%	24.00%	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%	16.50 %	13.38%	12.86%	12.07%	12.20%	13.69%	**15.11%**
Lombard Rate	26.20%	26.20%	26.20%	26.20%	26.20%	26.20%	26.20%	24.20%	24.20%	24.20%	24.20%	24.20%	**24.20%**
Commercial Bank Reference Rate	25.40%	25.30%	25.40%	25.30%	25.30%	25.20%	24.70%	22.40%	20.80%	20.60%	20.40%	20.50%	**20.80%**
Government Securities Yields													
91-days Treasury Bill	16.00%	16.00%	16.00%	16.00%	16.00%	15.00%	12.00%	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%	15.00%	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%	17.90%	17.00%	16.50%	16.50%	16.50%	16.17%	**16.00%**
2-year Treasury Note	28.75%	28.75%	28.75%	28.75%	28.75%	28.75%	20.65%	18.00%	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	211.15%	236.67%	250.27%	259.98%	247.63%	-1.53%	-3.91%	-3.80%	-12.32%	-14.15%	-12.38%	-15.43%	**-15.74%**
DSI	214.05%	236.40%	233.38%	217.65%	208.88%	0.30%	-0.75%	-0.43%	-2.74%	-3.45%	-3.59%	-7.62%	**-8.02%**
FSI	195.28%	239.14%	348.11%	503.79%	470.87%	-7.19%	-13.69%	-14.21%	-41.89%	-47.16%	-39.55%	-39.55%	**-39.57%**

The 14 August 2026 exchange rates are the Middle (TT) opening exchange rates as reported by the Reserve Bank of Malawi.

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Press Corporation Plc	Valuation of Unlisted Equity Investments	Valuation expert	2022 - 2024

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