



Malawi Financial Market Update

Week ending 16 October 2026



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Market Developments

What happened this week

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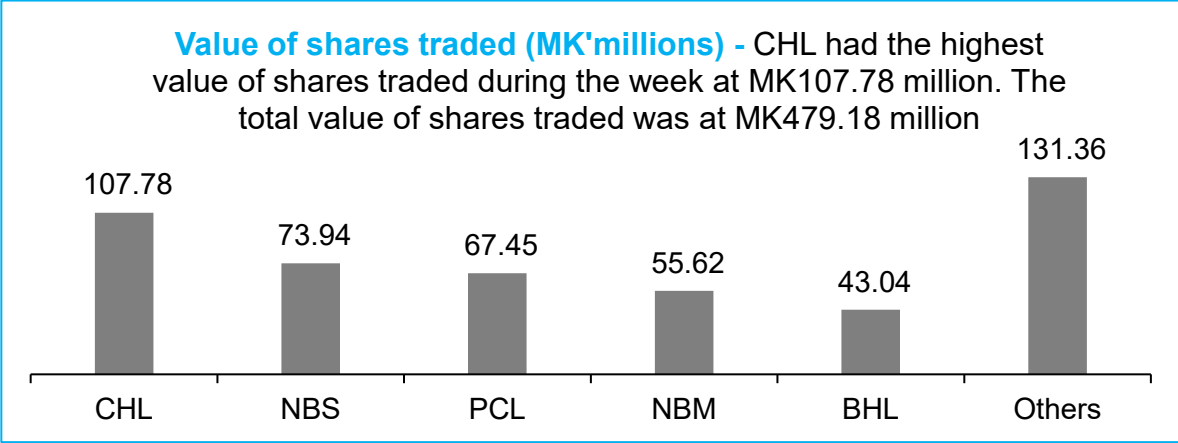
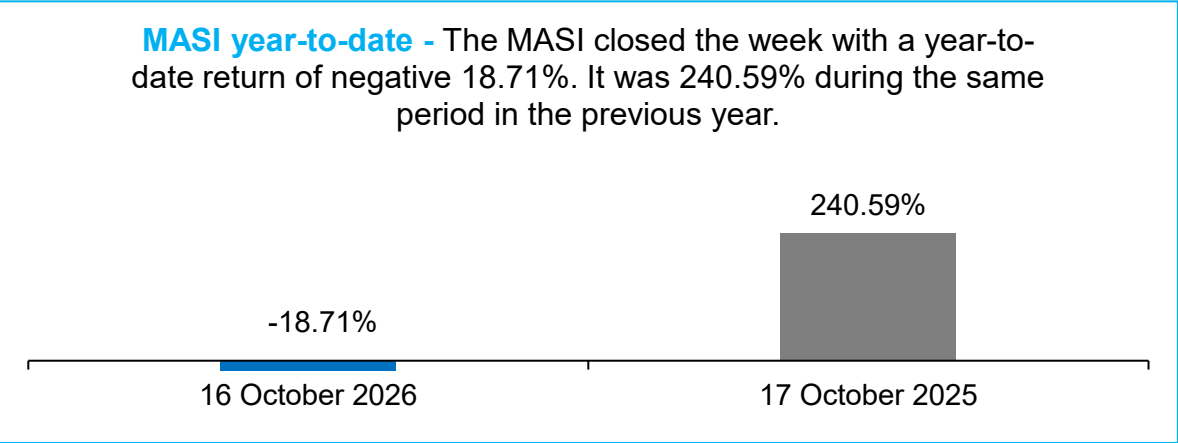
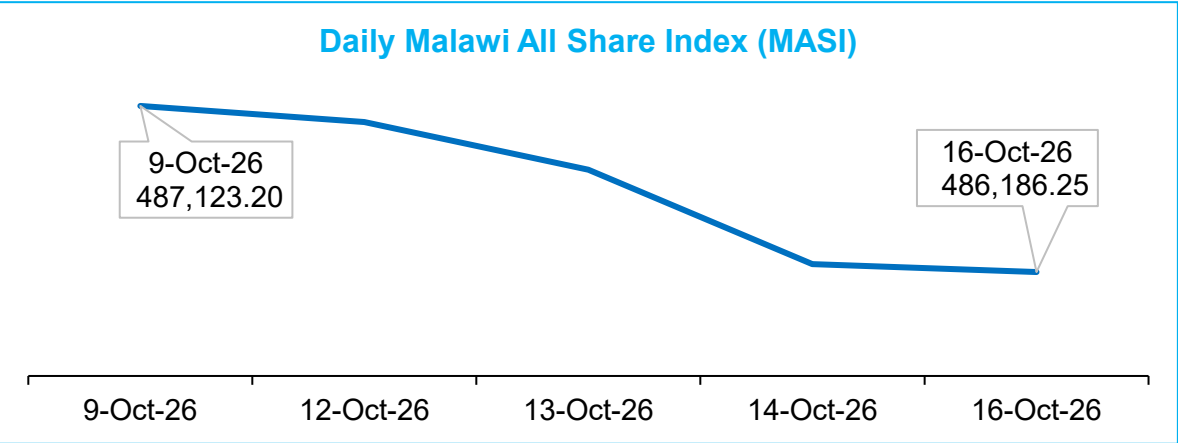
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1. The Tobacco Commission has extended the Know Your Grower (KYG) registration and licensing exercise for the 2026/2027 tobacco farming season by two weeks to 17 October 2026 from 3 October 2026 following high turnout at registration centres. To improve service delivery, the commission has extended daily working hours, deployed additional registration staff, established centres in previously uncovered areas and publicised the extended schedule through radio stations. It has also provided additional shelter for growers at the Kasungu Divisional Office, with similar arrangements underway for Mzuzu. The initiative aims to strengthen tobacco traceability, global competitiveness and sector sustainability. (*The Tobacco Commission, 12 October 2026*)
2. Australian Securities Exchange-listed Fortuna Metals Limited states the latest drilling campaign at Mlongo in the Mkanda project found further high-grade rutile, adding on to what was identified in earlier exploration work. The latest drilling at Mlongo recorded a peak rutile grade of 3.43. The Mkanda Rutile-Graphite Project covers about 658 square kilometres (km) and is located approximately 20km south of the Kasiya Rutile and Graphite Project being developed by Sovereign Metals Limited in Lilongwe. Mining contributes approximately 1% to Malawi's GDP, according to the 2026 Malawi Government Annual Economic Report. (*The Nation, 14 October 2026*)
3. According to the World Bank's October 2026 Africa Economic Update, Malawi's efforts to restructure its external debt have stalled because the country lacks conditions that have supported successful debt restructuring elsewhere. The report noted that Malawi's debt composition has complicated efforts to secure comprehensive debt treatment while coordination among creditors, a key requirement in largely voluntary restructuring processes, has been difficult to achieve. The World Bank identified Malawi among other African countries facing acute debt vulnerabilities, highlighting the need for sustained International Monetary Fund (IMF) programme engagement and reforms to restore debt sustainability. (*The Nation, 13 October 2026*)
4. The Electricity Supply Corporation of Malawi (ESCOM) Limited has signed transmission connection agreements with AZA Power Solutions Limited and Quantel Renewable Energy Limited, paving the way for the addition of 125MW to the national grid. AZA Power Solutions will connect a 75MW multi-fuel thermal power plant through Escom's Nanjoka Substation in Salima, while Quantel Renewable Energy will integrate a 50MW solar photovoltaic plant at the New Bwengu Substation in Mzimba District. According to ESCOM, the thermal power project is expected to increase baseload generation capacity by 17% and reduce unserved energy by approximately 60%. (*The Nation, 13 October 2026*)
5. The European Union (EU) has stated that it is working with the Malawi Government to devise ways to country's growing socio-economic pressure and boost foreign exchange generation through targeted initiatives. The EU ambassador stated that the EU is currently implementing an EUR8 million (about K16.8 billion) ecotourism programme called Taza, standing for Tikope Alendo ndi Zachilengedwe m'Malawi. The programme aims to promote Malawi as a tourist destination, support small and medium enterprises and strengthen tourism sector skills. The EU is also supporting agriculture and investing in electricity generation and transmission infrastructure to strengthen the economy and increase foreign exchange earnings. The EU's bilateral development cooperation envelope for Malawi stands at EUR497 million (approximately MK1 trillion), while the wider Team Europe portfolio is valued at EUR1.5 billion (approximately MK3 trillion). (*The Nation, 15 October 2026*).
6. According to the National Statistical Office (NSO), Malawi's trade deficit narrowed by 8.8% year-on-year to USD197.5 million in August 2026, from USD216.6 million in August 2025. Total imports increased BY 7.1% to USD350.7 million in August 2026 from USD327.5 million in August 2025. Month-on-month, exports increased by 5.1% to USD153.2 million in August 2026 from USD145.7 million in July 2026, while imports rose by 3.5% to USD350.7 million in August 2026 from USD338.9 million in July 2026. As a result, the trade deficit widened by 2.3% to USD197.5 million in August 2026 from USD193.2 million in July 2026. (*NSO, 12 October 2026*)



Stock market (Source: MSE)

The stock market was bearish, with the Malawi All Share Index (MASI) decreasing to 486,186.25 points on 16 October 2026 from 487,123.20 points on 9 October 2026.



Week-on-week Share Price Percentage change

BHL	0.0%
ICON	0.0%
ILLOVO	0.0%
MPICO	0.0%
OMU	0.0%
SUNBIRD	0.0%
NITL	0.0%
NBS	0.0%
FDHB	0.0%
TNM	-0.1%
NICO	-0.1%
FMBCH	-0.1%
PCL	-0.1%
CHL	-0.2%
STANDARD	-0.3%
AIRTEL	-0.3%
NBM	-0.6%

Symbol	Closing prices as of 16 October 2026 (MK/share)	Closing prices as of 9 October 2026 (MK/share)
AIRTEL	101.41	101.75
BHL	17.52	17.52
CHL	208.08	208.46
FDHB	459.59	459.80
FMBCH	1,786.42	1,788.37
ICON	17.00	17.00
ILLOVO	3,501.93	3,501.93
MPICO	19.61	19.61
NBM	9,064.89	9,119.90
NBS	621.63	621.83
NICO	1,333.95	1,335.19
NITL	3,288.79	3,288.82
OMU	3,699.99	3,699.99
PCL	312.31	312.66
STANDARD	3,889.88	3,899.92
SUNBIRD	3,399.98	3,399.99
TNM	21.64	21.66

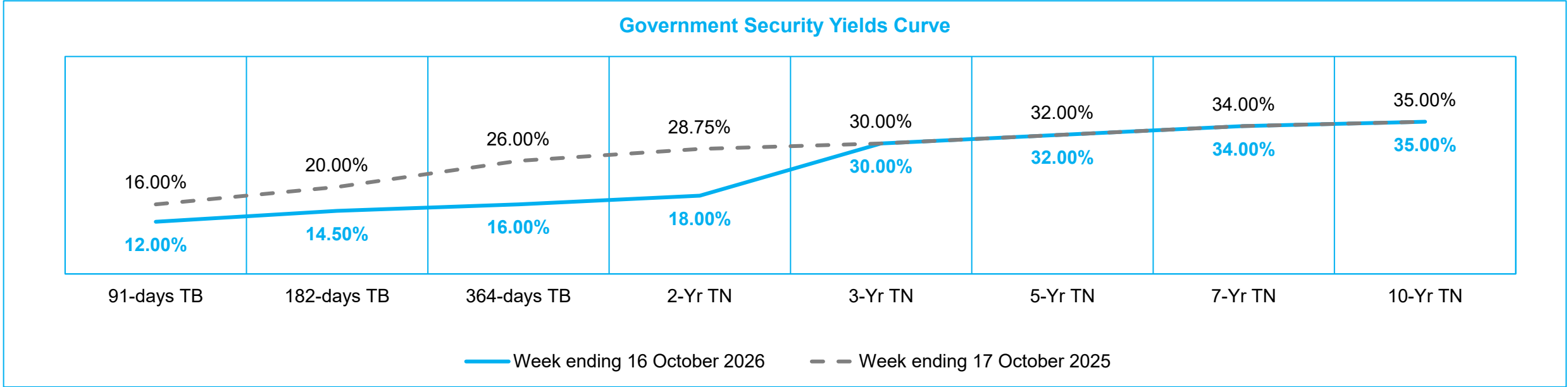
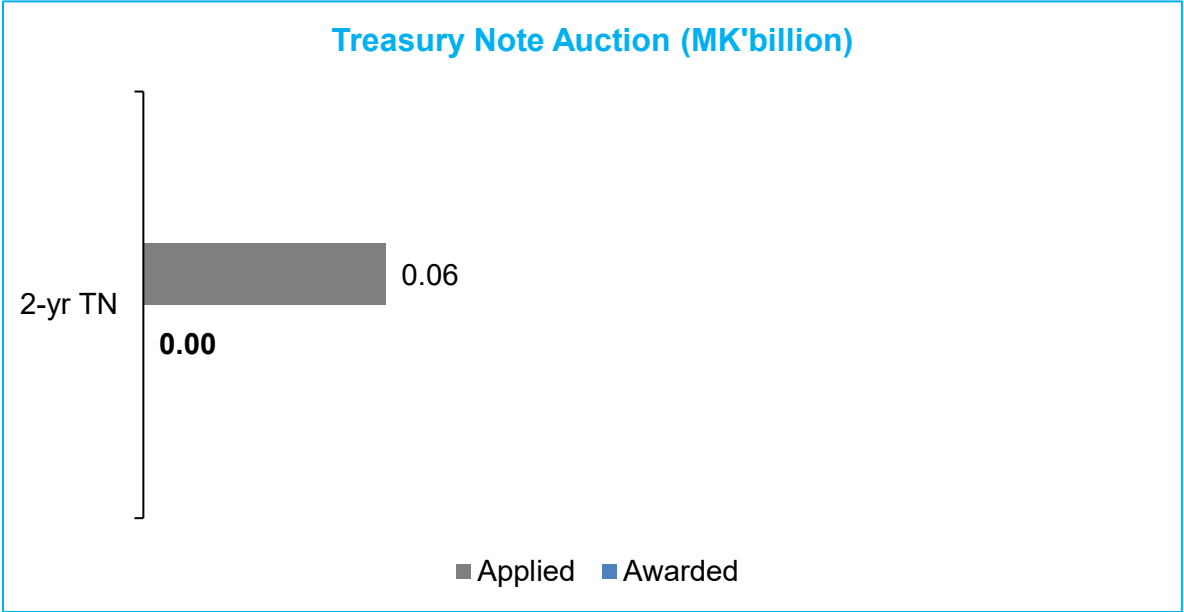
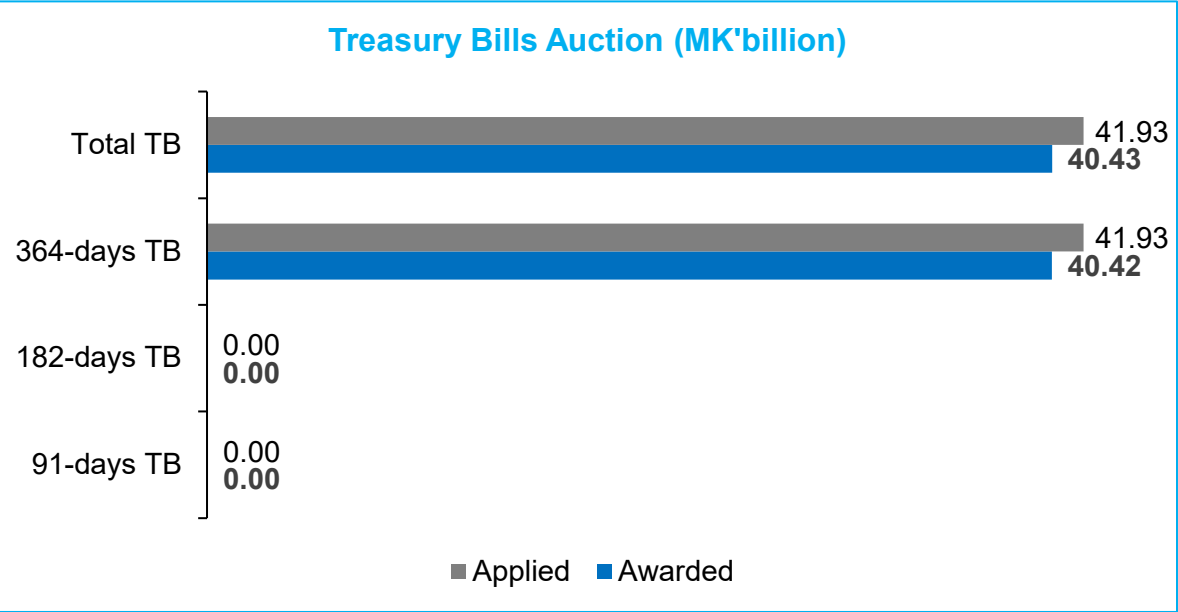


Government Securities (Source: RBM)

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 MK40.43 billion was raised from MK41.93 billion in Treasury Bill applications. There were no allotments from MK60 million in applications for the 2-year Treasury Note during the week ended 16 October 2026.

The RBM held an Open Market Operation Repurchase Agreement (OMO Repo) auction during the week ending 16 October 2026. A total of MK89 billion was withdrawn from the market.





Appendix 1: Historical Economic Indicators

	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	16-Oct-26
Exchange Rates (middle rates)													
MK/USD	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	1,747.56	1,749.31	1,734.01
MK/GBP	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	2,376.49	2,379.70	2,376.49
MK/EUR	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	2,083.82	2,046.83	2,005.89
MK/ZAR	103.58	103.68	107.63	113.67	113.20	104.66	107.04	107.04	109.07	107.90	110.79	110.12	108.46
Foreign Exchange Reserves													
Total Reserves (USD'mn)	526.8	530.0	608.9	664.9	625.7	571.6	619.8	596.5	616.3	600.6	N/A	N/A	N/A
Inflation													
Headline	29.1%	27.9%	26.0%	24.9%	24.1%	23.8%	24.3%	23.4%	21.1%	20.8%	20.0%	N/A	N/A
Food	32.4%	30.1%	26.5%	22.1%	20.8%	20.0%	19.1%	17.6%	14.7%	14.3%	13.4%	N/A	N/A
Non-food	23.8%	24.2%	25.2%	29.8%	30.0%	30.7%	33.2%	33.0%	32.1%	32.2%	31.8%	N/A	N/A
Interest Rates													
Monetary Policy Rate	26.00%	26.00%	26.00%	26.00%	26.00%	24.00%	24.00%	24.00%	24.00%	24.00%	24.00%	24.00%	24.00%
Average Interbank Rate (Overnight)	23.98%	23.98%	23.98%	23.98%	16.50 %	13.38%	12.86%	12.07%	12.20%	13.69%	15.44%	16.00%	16.50%
Lombard Rate	26.20%	26.20%	26.20%	26.20%	26.20%	24.20%	24.20%	24.20%	24.20%	24.20%	24.20%	24.20%	24.20%
Commercial Bank Reference Rate	25.40%	25.30%	25.30%	25.20%	24.70%	22.40%	20.80%	20.60%	20.40%	20.50%	20.80%	21.20%	21.40%
Government Securities Yields													
91-days Treasury Bill	16.00%	16.00%	16.00%	15.00%	12.00%	12.00%	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%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	14.50%	14.50%
364-days Treasury Bill	26.00%	26.00%	26.00%	26.00%	17.90%	17.00%	16.50%	16.50%	16.50%	16.17%	16.00%	16.00%	16.00%
2-year Treasury Note	28.75%	28.75%	28.75%	28.75%	20.65%	18.00%	18.00%	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	250.27%	259.98%	247.63%	-1.53%	-3.91%	-3.80%	-12.32%	-14.15%	-12.38%	-15.43%	-16.48%	-18.02%	-18.71%
DSI	233.38%	217.65%	208.88%	0.30%	-0.75%	-0.43%	-2.74%	-3.45%	-3.59%	-7.62%	-9.00%	-9.81%	-10.68%
FSI	348.11%	503.79%	470.87%	-7.19%	-13.69%	-14.21%	-41.89%	-47.16%	-39.55%	-39.55%	-39.60%	-43.44%	-43.55%

The 16 October 2026 exchange rates are the Middle (TT) opening exchange rates as reported by the Reserve Bank of Malawi.

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