



## Malawi Financial Market Update

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Week ending 9 October 2026



## Malawi Financial Market Update: Week ending 9 October 2026

### Market Developments

#### What happened this week

*The Malawi Government and the Reserve Bank of Malawi (RBM) have concluded policy discussions with the International Monetary Fund (IMF) in Lilongwe towards a potential new Extended Credit Facility (ECF) programme, with the deal not yet done.*

*The Malawi Government has denied reports that it is discussing Kwacha devaluation with the IMF as part of negotiations for a new ECF programme, stating that devaluation is not on the agenda.*

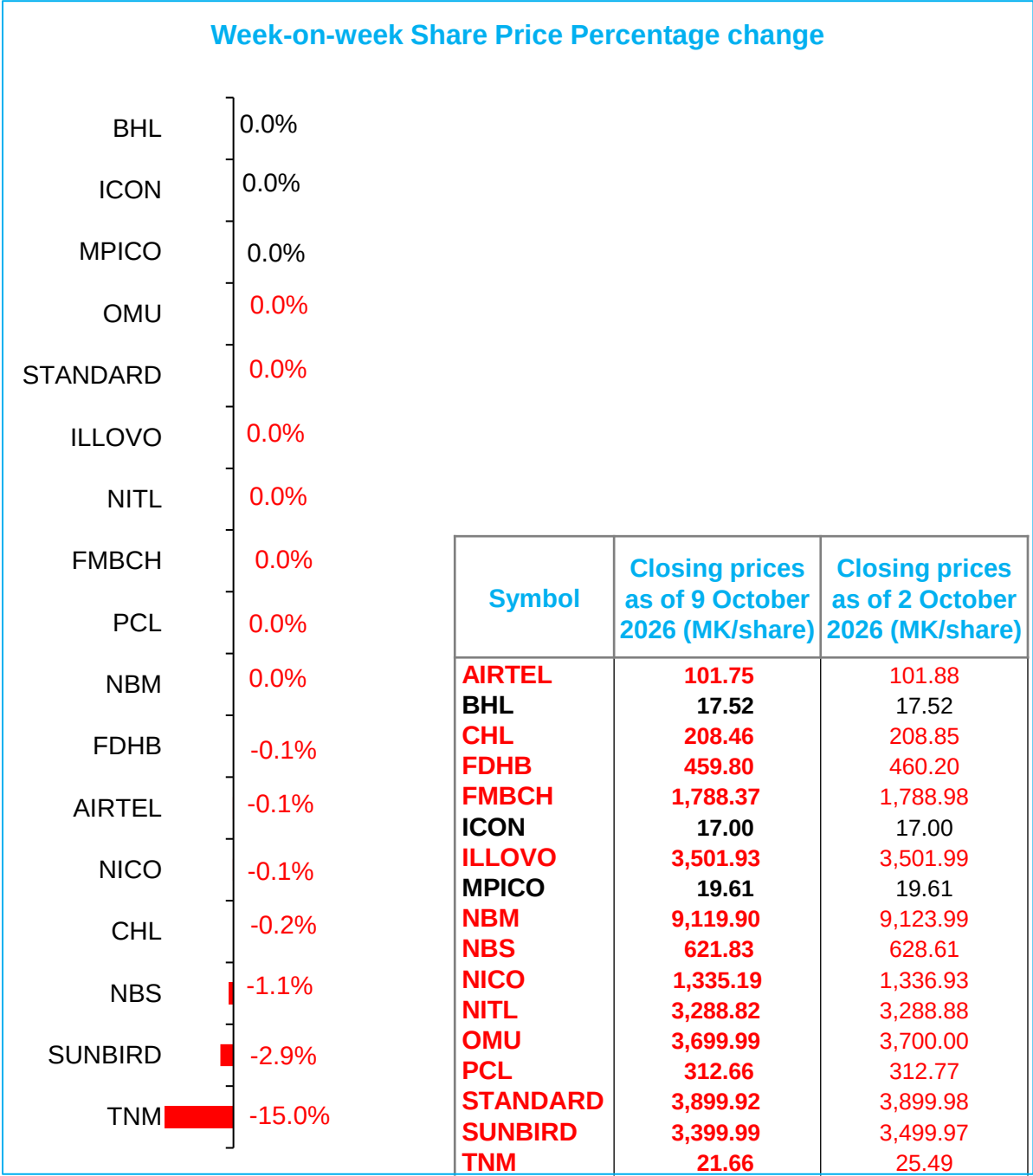
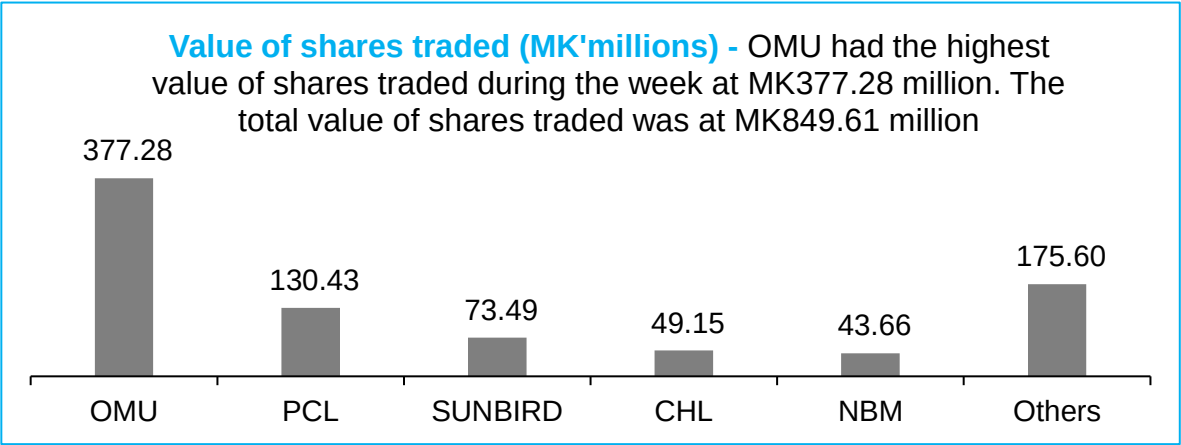
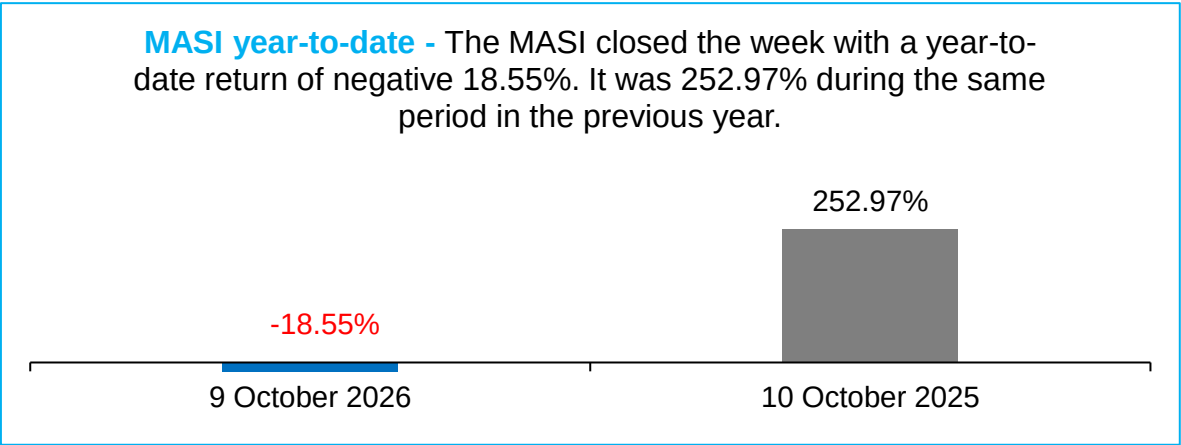
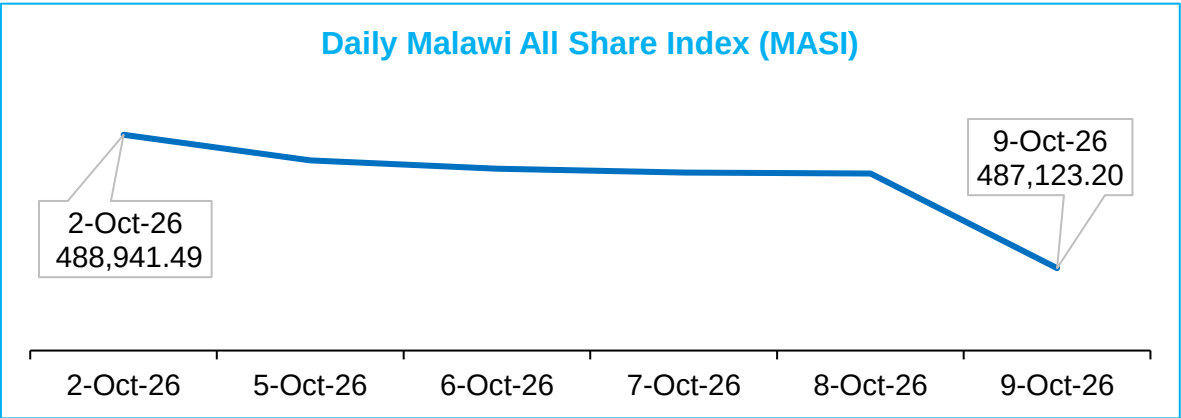
1. The Malawi Government and the Reserve Bank of Malawi (RBM) have concluded policy discussions with the International Monetary Fund (IMF) in Lilongwe as negotiations continue towards a new Extended Credit Facility (ECF) programme. According to the IMF, further work on fiscal and monetary reforms is required before an agreement can be reached. The discussions follow an initial diagnostic mission conducted from 8 to 18 June 2026 and aim to support fiscal consolidation, safeguard social spending, strengthen monetary policy and preserve financial-sector stability. *(The Nation, 8 October 2026)*
2. According to a statement issued by the Ministry of Information and Communications Technology on 8 October 2026, the Government of Malawi has denied reports that it is discussing a devaluation of the Malawi Kwacha with the International Monetary Fund (IMF) as part of negotiations for a new Extended Credit Facility (ECF) programme. The Minister of Information and Communications Technology stated that currency devaluation is not on the agenda of the ongoing negotiations. The statement follows an IMF mission to Malawi from 22 September to 6 October 2026, during which the IMF acknowledged progress in economic reforms and noted that these reforms provide a foundation for an IMF-supported programme. *(Ministry of Information and Communication Technology, 8 October 2026)*
3. Malawi has made progress in negotiations with foreign commercial creditors to restructure its debt obligations. The restructuring covers RBM-guaranteed facilities comprising USD350 million with Afreximbank, USD307 million with the Trade and Development Bank, and USD45 million with Baobab Securities Limited. According to the RBM spokesperson, formal agreements have been signed providing for extended repayment periods and renegotiated interest charges, aimed at easing near-term debt-service and cash-flow pressures. As of December 2025, Malawi's total public debt stood at approximately MK24.3 trillion (about USD14.0 billion), comprising USD4.8 billion in external debt, of which approximately USD1.08 billion was owed to external commercial creditors. *(The Daily Times, 8 October 2026)*
4. The Greenbelt Authority (GBA) has indicated that it requires MK44 billion to invest in climate-smart irrigation infrastructure to mitigate the impact of El Niño on food security. The Authority has identified 1,000 hectares within the Salima Sugar Scheme for maize production, targeting 100,000 metric tonnes of maize (equivalent to 2 million 50kg bags) across two production cycles starting in January 2027. GBA Chief Executive Officer stated that MK44 billion is earmarked for investment into irrigation infrastructure development with another MK3 billion to be used for production. Malawi's MK488.5 billion El Niño preparedness plan faces a MK324 billion funding gap, with only MK163.7 billion mobilized by the Malawi government. *(The Daily Times, 9 October 2026)*
5. Lotus Resources Limited has reported producing 332,000 pounds (approximately 151 tonnes) of uranium at its Kayelekera Uranium Mine in Karonga during its first operational year. According to the company's 2026 Annual Report, output fell short of the targeted 200,000 pounds per month by May 2026 due to processing plant reliability issues and sulphuric acid supply disruptions. These challenges, including a temporary shutdown in the second quarter of 2026 linked to Middle East geopolitical disruptions and acid plant repairs, delayed exports and cash flows while increasing operating costs. However, the company's Managing Director stated that product acceptance by Orano Chimie-Enrichissement has established an export pathway, while uranium prices are projected to rise to USD95.50 (MK167,572) in 2027 from USD84.85 (MK148,220) per pound in 2026 amid growing global nuclear energy demand. *(The Nation, 9 October 2026)*
6. According to the International Fund for Agricultural Development (IFAD)'s Sending Money Home report, formal remittance inflows to Malawi increased by 378% between 2016 and 2025 to USD187 million (approximately MK327.4 billion), equivalent to 12% of total exports and 2% of GDP. However, non-bank remittance transaction costs 19.6% in 2025, significantly exceeding those in Tanzania (8.7%), Zambia (8.9%), and Mozambique (7.3%), as well as the global average of 6.4% and the Sustainable Development Goal target of below 3%. High transfer costs are attributed to parallel and official exchange-rate gaps, foreign-exchange acquisition costs, regulatory compliance charges, and limited competition among money-transfer providers. Meanwhile, formal remittances from South Africa declined by 49% between 2021 and 2024 to USD41 million. *(The Daily Times, 6 October 2026)*
7. The Malawi Stock Exchange (MSE) has lost approximately MK1.3 trillion in market capitalisation during the third quarter (Q3) of 2026 as falling share prices deepened the market's bearish trend. The 17-counter exchange recorded a negative quarterly return of 6.4%, with market capitalisation declining to MK27.3 trillion as at 30 September 2026 from MK28.6 trillion at the end of June. The decline brought the year-to-date Malawi All Share Index (MASI) return to negative 18.02%, while market capitalisation fell by approximately MK5 trillion from approximately MK32.6 trillion recorded on 31 December 2025. *(The Nation, 7 October 2026)*
8. According to the World Bank's Africa Economic Update (October 2026), Malawi's real GDP growth is projected to improve modestly to 2.7% in 2026, up from 2.5% in 2025 and 1.7% in 2024, before rising to 2.8% in 2027 and 3.5% in 2028. *(African Economic Update, October 2026)*



Stock market (Source: MSE)

The stock market was bearish, with the Malawi All Share Index (MASI) decreasing to 487,123.20 points on 9 October 2026 from 489,941.49 points on 2 October 2026.

National Bank Transfer Secretaries has issued a notice advising shareholders of Continental Holdings plc who have not received their public offering allotment letters to contact the NBM transfer secretaries, to update and verify their shareholder records.





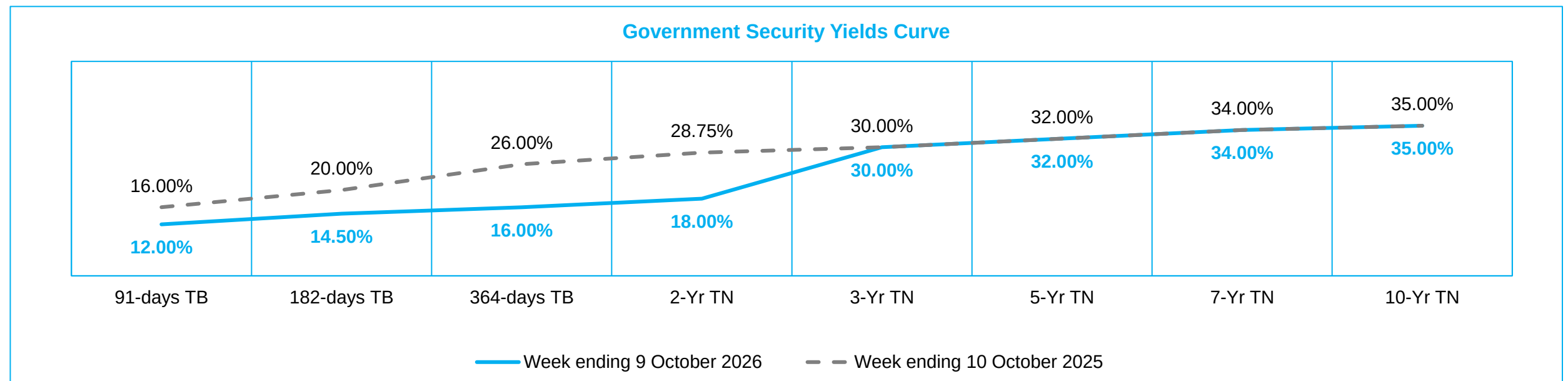
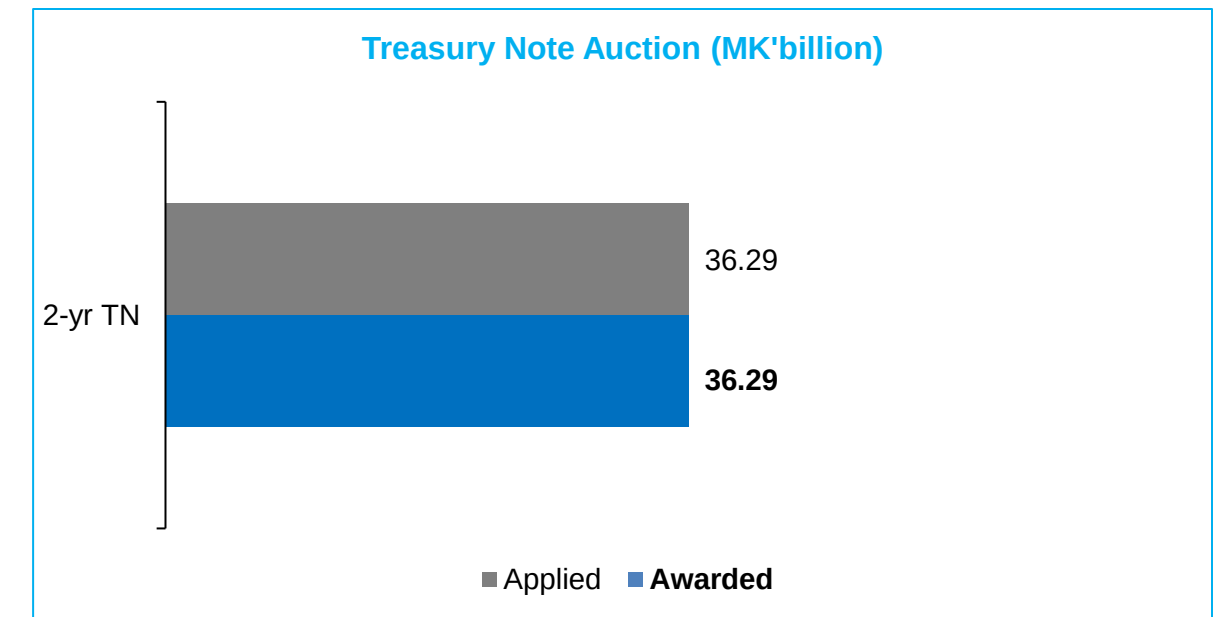
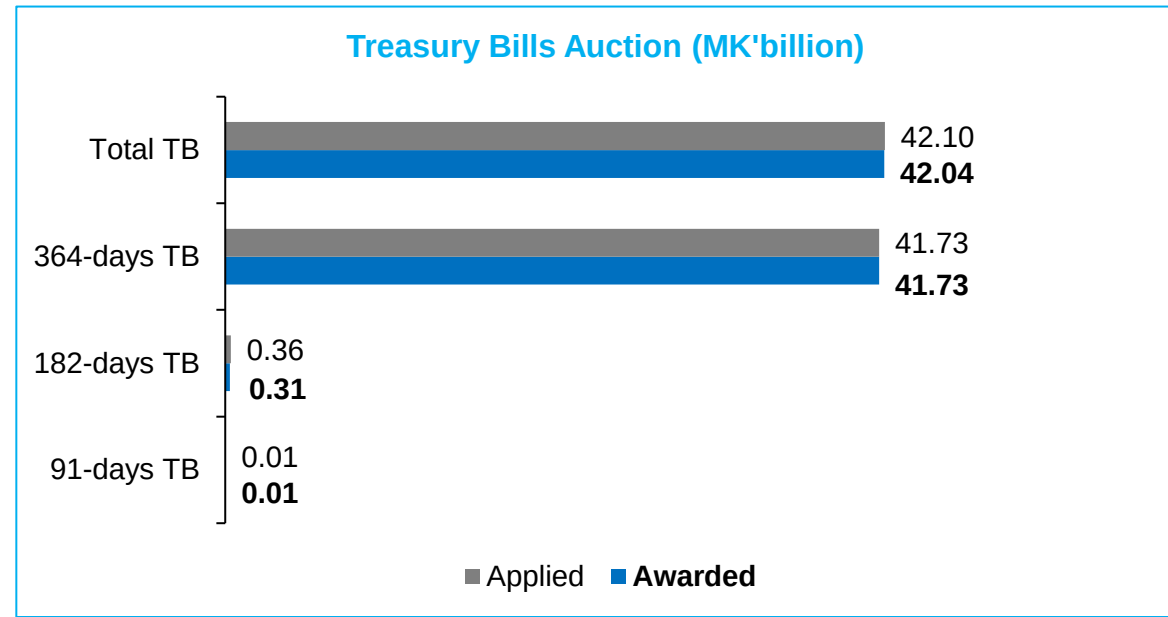
# Malawi Financial Market Update: Week ending 9 October 2026

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 MK78.33 billion was raised from MK78.39 billion in applications during the week ended 9 October 2026.

The Reserve Bank of Malawi (RBM) conducted an Open Market Operations (OMO) repurchase agreement (Repo) auction during the week ended 9 October 2026. A total of MK70.00 billion was withdrawn from the market.





# Appendix 1: Historical Economic Indicators

|                                    | Sep-25   | Oct-25   | Nov-25   | Dec-25   | Jan-26   | Feb-26   | Mar-26   | Apr-26   | May-26   | Jun-26   | Jul-26   | Aug-26   | Sep-26   | 09-Oct-26       |
|------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------------|
| Exchange Rates (middle rates)      |          |          |          |          |          |          |          |          |          |          |          |          |          |                 |
| MK/USD                             | 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 | 1,747.56 | 1,749.31 | <b>1,734.01</b> |
| MK/GBP                             | 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 | 2,437.74 | 2,379.70 | <b>2,363.81</b> |
| MK/EUR                             | 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 | 2,083.82 | 2,046.83 | <b>2,005.00</b> |
| MK/ZAR                             | 103.60   | 103.58   | 103.68   | 107.63   | 113.67   | 113.20   | 104.66   | 107.04   | 107.04   | 109.07   | 107.90   | 110.79   | 110.12   | <b>108.03</b>   |
| Foreign Exchange Reserves          |          |          |          |          |          |          |          |          |          |          |          |          |          |                 |
| Total Reserves (USD'mn)            | 511.8    | 526.8    | 530.0    | 608.9    | 664.9    | 625.7    | 571.6    | 619.8    | 596.5    | 616.3    | 600.6    | N/A      | N/A      | <b>N/A</b>      |
| Inflation                          |          |          |          |          |          |          |          |          |          |          |          |          |          |                 |
| Headline                           | 28.7%    | 29.1%    | 27.9%    | 26.0%    | 24.9%    | 24.1%    | 23.8%    | 24.3%    | 23.4%    | 21.1%    | 20.8%    | 20.0%    | N/A      | <b>N/A</b>      |
| Food                               | 33.0%    | 32.4%    | 30.1%    | 26.5%    | 22.1%    | 20.8%    | 20.0%    | 19.1%    | 17.6%    | 14.7%    | 14.3%    | 13.4%    | N/A      | <b>N/A</b>      |
| Non-food                           | 21.7%    | 23.8%    | 24.2%    | 25.2%    | 29.8%    | 30.0%    | 30.7%    | 33.2%    | 33.0%    | 32.1%    | 32.2%    | 31.8%    | N/A      | <b>N/A</b>      |
| Interest Rates                     |          |          |          |          |          |          |          |          |          |          |          |          |          |                 |
| Monetary Policy Rate               | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 24.00%   | 24.00%   | 24.00%   | 24.00%   | 24.00%   | 24.00%   | 24.00%   | <b>24.00%</b>   |
| Average Interbank Rate (Overnight) | 23.98%   | 23.98%   | 23.98%   | 23.98%   | 23.98%   | 16.50 %  | 13.38%   | 12.86%   | 12.07%   | 12.20%   | 13.69%   | 15.44%   | 16.00%   | <b>16.01%</b>   |
| Lombard Rate                       | 26.20%   | 26.20%   | 26.20%   | 26.20%   | 26.20%   | 26.20%   | 24.20%   | 24.20%   | 24.20%   | 24.20%   | 24.20%   | 24.20%   | 24.20%   | <b>24.20%</b>   |
| Commercial Bank Reference Rate     | 25.30%   | 25.40%   | 25.30%   | 25.30%   | 25.20%   | 24.70%   | 22.40%   | 20.80%   | 20.60%   | 20.40%   | 20.50%   | 20.80%   | 21.20%   | <b>21.40%</b>   |
| Government Securities Yields       |          |          |          |          |          |          |          |          |          |          |          |          |          |                 |
| 91-days Treasury Bill              | 16.00%   | 16.00%   | 16.00%   | 16.00%   | 15.00%   | 12.00%   | 12.00%   | 12.00%   | 12.00%   | 12.00%   | 12.00%   | 12.00%   | 12.00%   | <b>12.00%</b>   |
| 182-days Treasury Bill             | 20.00%   | 20.00%   | 20.00%   | 20.00%   | 20.00%   | 15.00%   | 15.00%   | 15.00%   | 15.00%   | 15.00%   | 15.00%   | 15.00%   | 14.50%   | <b>14.50%</b>   |
| 364-days Treasury Bill             | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 26.00%   | 17.90%   | 17.00%   | 16.50%   | 16.50%   | 16.50%   | 16.17%   | 16.00%   | 16.00%   | <b>16.00%</b>   |
| 2-year Treasury Note               | 28.75%   | 28.75%   | 28.75%   | 28.75%   | 28.75%   | 20.65%   | 18.00%   | 18.00%   | 18.00%   | 18.00%   | 18.00%   | 18.00%   | 18.00%   | <b>18.00%</b>   |
| 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%   | <b>30.00%</b>   |
| 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%   | <b>32.00%</b>   |
| 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%   | <b>34.00%</b>   |
| 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>35.00%</b>   |
| Year-to-date Return                |          |          |          |          |          |          |          |          |          |          |          |          |          |                 |
| MASI                               | 236.67%  | 250.27%  | 259.98%  | 247.63%  | -1.53%   | -3.91%   | -3.80%   | -12.32%  | -14.15%  | -12.38%  | -15.43%  | -16.48%  | -18.02%  | <b>-18.55%</b>  |
| DSI                                | 236.40%  | 233.38%  | 217.65%  | 208.88%  | 0.30%    | -0.75%   | -0.43%   | -2.74%   | -3.45%   | -3.59%   | -7.62%   | -9.00%   | -9.81%   | <b>-10.49%</b>  |
| FSI                                | 239.14%  | 348.11%  | 503.79%  | 470.87%  | -7.19%   | -13.69%  | -14.21%  | -41.89%  | -47.16%  | -39.55%  | -39.55%  | -39.60%  | -43.44%  | <b>-43.49%</b>  |

The 9 October 2026 exchange rates are the Middle (TT) opening exchange rates as reported by the Reserve Bank of Malawi.

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### Contact Information

#### Head Office – Blantyre

Bridgepath Capital Limited  
1<sup>st</sup> Floor (106), Development House  
Corner Henderson Street Road  
P.O. Box 2920  
Blantyre

#### Lilongwe Office

Bridgepath Capital Limited  
Taurus House, Off Presidential Drive  
City Center  
Lilongwe

Tel No: +265 111 828 355

Email: [info@bridgepathcapitalmw.com](mailto:info@bridgepathcapitalmw.com)

Website: [www.bridgepathcapitalmw.com](http://www.bridgepathcapitalmw.com)

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| <br><b>BLANTYRE HOTELS PLC</b><br><b>MK62.4 billion Rights Issue</b><br><hr/> <b>Joint Lead advisor</b><br><b>2024</b> | <br><b>Fairness Opinion on the MK30 billion issue for cash</b><br><hr/> <b>Independent expert</b><br><b>2025</b> | <br><b>Sell-side advisor on the disposal of the bank to an investor consortium</b><br><hr/> <b>Lead advisor</b><br><b>2021 - 2022</b> | <br><b>Press Corporation Plc</b><br><b>Valuation of Unlisted Equity Investments</b><br><hr/> <b>Valuation expert</b><br><b>2022 - 2024</b> |
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