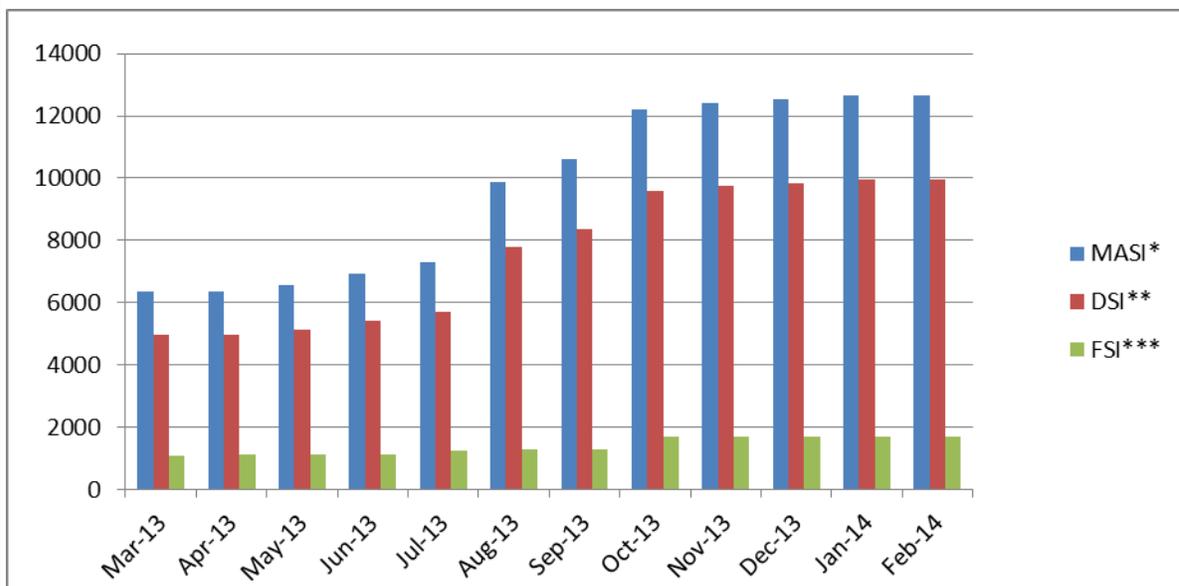




MALAWI STOCK EXCHANGE

## MONTHLY MARKET REPORT

FEBRUARY 2014



**MALAWI STOCK EXCHANGE**

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# MALAWI STOCK EXCHANGE LIMITED

## MONTHLY MARKET PERFORMANCE REPORT FOR FEBRUARY 2014

### 1.0 TRADING SUMMARY

The Market registered a positive monthly return on index of 0.12%(3.21% in US Dollar terms) to close the month of February at 12661.60 points compared to 12646.78 points in January 2014.

It also recorded an increase in both traded value and volume for the same period.

### Index Levels and Return – FEBRUARY 2014

INDEX	Feb. 2013	Jan. 2014	Feb. 2014	Monthly % Δ	YTD % Δ
<b>MASI</b>	6076.41	12646.78	12661.60	0.12 ▲	1.04 ▲
<b>DSI</b>	4763.98	9942.58	9954.42	0.12 ▲	1.06 ▲
<b>FSI</b>	967.79	1709.34	1709.34	0.00 ■	0.00 ■

### Trading Statistics – FEBRUARY 2014

	FEBRUARY 2014	JANUARY 2014	% Δ
Traded Value (MK)	589,751,300.92	140,412,156.07	320.01▲
Traded Value (US\$)	1,389,384.74	323,615.98	329.33▲
Traded Vol. Shares	23,478,741	7,255,289	223.61▲
No. of Transactions	120	110	9.09 ▲
Index Close (MASI)	12661.60	12646.78	0.12 ▲
Index Close (DSI)	9954.42	9942.58	0.12 ▲
Listed companies	14	14	
Traded Companies	13	12	
Not Traded Companies	01	02	
<b>Gainers</b>	<b>03</b>	<b>02</b>	
<b>Decliners</b>	<b>00</b>	<b>01</b>	
Unchanged	10	09	

### 2.0 MARKET PERFORMANCE

#### 2.1 Trade Performance Analysis

A total of 23,478,741 [4,996,571, Feb. 2013] shares were transacted in the month of February 2014 at a total consideration of MK589,751,300.92(US\$1,389,384.74) [MK19,019,089.30(US\$113,376.39),

Feb. 2013] in 120 trades. In the previous month, January 2014, the market transacted a total of 7,255,289 shares at a total consideration of MK140,412,156.07(US\$323,615.98) in 110 trades. This reflects a 223.61% increase in terms of share volume and 320.01% increase (329.33% in US Dollar terms) in share value.

The market registered an average daily volume of 1,118,035 shares in February 2014 compared to 354,490 shares in January 2014.

The average daily turnover for February 2014 was MK28,083,395.28 (US\$66,161.18) compared to MK6,686,293.15 (US\$15,410.28) for the previous month, reflecting an increase of 320.01% (329.33% in US Dollar terms).

**TABLE 1: TRADING SUMMARY FOR FEBRUARY 2014**

DATE	VOLUME	VALUE (MWK)	VALUE (US\$)
January	7,255,289	140,412,156.07	323,615.98
February	23,478,741	589,751,300.92	1,389,384.74
<b>% CHANGE</b>	<b>223.61 ▲</b>	<b>320.01 ▲</b>	<b>329.33 ▲</b>

## 2.2 Market Capitalisation and Index

The market registered a positive return on index as reflected in the upward movement of the Malawi All Share Index (MASI) from 12646.78 points registered on 31st January 2014 to 12661.60 points registered on 28<sup>th</sup> February 2014, giving a monthly return on index of 0.12%, (3.21% in US\$ terms). The price gains registered by three counters, NICO Holdings Ltd, National Investment Trust Ltd and Press Corporation Ltd were the major drivers resulting into an increase in the Domestic Share Index by 0.12% to 9954.42 points (3.33% in US\$ terms). The Foreign Share Index was steady at 1709.34 points.

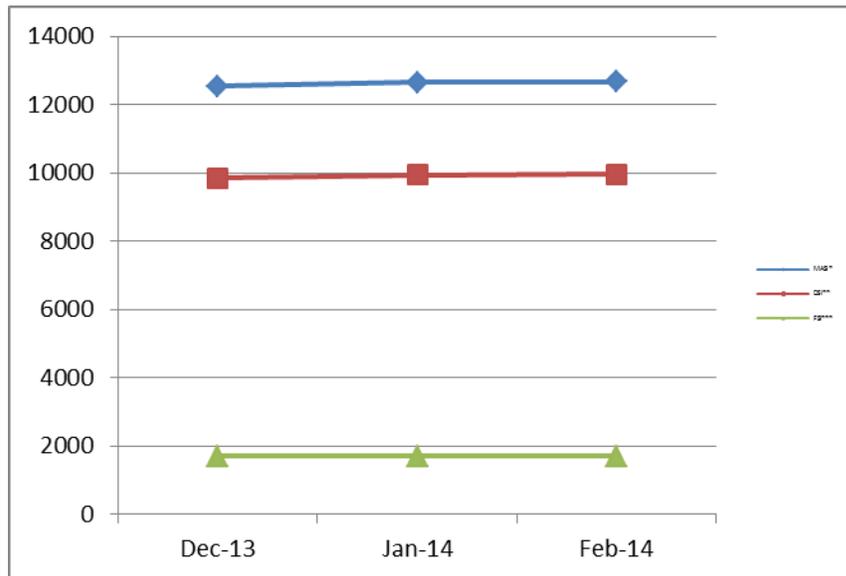
**Table 2: Market Capitalization and Index – February 2014**

Month Ending	Mkt. Cap. MKm.	Mkt. Cap. US\$m	Mkt. Cap. MKm*	Mkt. Cap. US\$m*	MASI
January	7,184,819.29	16,550.7722	533,888.30**	1,225.6162**	12646.78
February	7,186,819.09	17,086.9746	532,675.38	1,266.4589	12661.60

\* Excludes non-Malawi register Old Mutual plc shares

\*\*Restated (having taken into account the consolidated OML plc Malawi register shares)

**FIG 1: MSE INDICES – February 2014**



### 2.3 Market Liquidity

The turnover velocity measured by the ratio of Total Value of Trades to Market Capitalisation (**TVT/MCAP\***) in February was recorded at 0.11% compared to 0.03% registered in the previous month. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.03% for February 2014 compared to 0.01% in January 2014.

**Table 3: Market Liquidity – February 2014**

MONTH Ended	Mkt. Cap/GDP %	Mkt. Cap/GDP* %	TVT/GDP %	TVT/Mkt. Cap* %	Shares Traded/Shares In Issue* %
January	387.99	28.731**	0.00758	0.0264**	0.041245**
February	388.10	28.765	0.03185	0.1107	0.133472

\* Excludes non-Malawi register Old Mutual plc shares

\*\*Restated (having taken into account the consolidated OML plc Malawi register shares)

## 2.4 Company Trading Performance

### Top Gainers

MSE CODE	COUNTER NAME	% GAIN
PCL	Press Corporation Ltd	4.53
NICO	NICO Holdings Ltd	3.37
NITL	National Investment Trust Ltd	1.69

Three counters registered a capital gain in February 2014.

### Top Five Traded Stocks by Volume- February 2014

MSE CODE	COUNTER NAME	SHARES	% OF TOTAL
NICO	NICO Holdings Ltd	7,741,487	32.97
TNM	TNM	6,071,800	25.86
MPICO	MPICO Ltd	3,445,239	14.67
NBS	NBS Bank	3,022,777	12.87
FMB	FMB Bank	1,016,950	4.33

### Top Five Traded Stocks by Value- February 2014

MSE CODE	COUNTER NAME	MK	% OF TOTAL
ILLOVO	Illovo Sugar Malawi	293,460,000.00	49.76
NICO	NICO Holdings Ltd	142,306,668.60	24.13
NBS	NBS Bank	48,364,432.00	8.20
NBM	National Bank of Malawi	38,365,675.00	6.51
NITL	National Investment Trust Ltd	17,798,430.00	3.02

## Company Trading Statistics- February 2014

Company	Opening Price	Closing Price	% Price Change	Share Vol. Traded	Value Traded MK
BHL	800	800	0.00%	-	-
FMB	1500	1500	0.00%	1,016,950	15,254,250.00
ILLOVO	29200	29200	0.00%	1,005,000	293,460,000.00
MPICO	200	200	0.00%	3,445,239	6,890,478.00
NBM	21500	21500	0.00%	178,445	38,365,675.00
NBS	1600	1600	0.00%	3,022,777	48,364,432.00
NICO	1780	1840	3.37%	7,741,487	142,306,668.60
NITL	2950	3000	1.69%	593,281	17,798,430.00
PCL	28700	30000	4.53%	33,988	10,196,400.00
REAL	100	100	0.00%	262,460	262,460.00
STANDARD BANK	39741	39741	0.00%	7,052	2,802,535.32
SUNBIRD	700	700	0.00%	100,000	700,000.00
TNM	214	214	0.00%	6,071,800	12,993,652.00
OML	136000	136000	0.00%	262	356,320.00
				<b>23,478,741</b>	<b>589,751,300.92</b>

### 3.0 ECONOMIC POSITION

- 3.1 The Malawi Kwacha gained against the United States Dollar(US\$), the British Pound(GBP) and the EURO(€) but depreciated marginally against the South African Rand(ZAR) between 31<sup>st</sup> January 2014 and 28<sup>th</sup> February, 2014 as a result of resumption of donor aid and decrease in demand of some trading currencies as shown in Table 2 below;

**TABLE 2: MONTHLY EXCHANGE RATES: Jan. 2014-Feb. 2014**

CURRENCY	END JAN' 2014	END FEB' 2014	% CHANGE*
MK/US Dollar	434.1078	420.6022	3.21
MK/GBP	714.9633	700.7051	2.03
MK/ZAR	40.0999	40.6078	-1.25
MK/EUR	590.2315	578.1368	2.09

Source: National Bank of Malawi.

- 3.2 The inflation for January 2014 stood at 25.9% up by 2.4% from the December figure of 23.5% on account of an increase in both food and non-food inflation from 22.3% to 24.1% and from 25.1% to 27.7% respectively.

The urban and rural inflation rates for the month of January 2014 were 37.2% and 24.4% respectively.

### Key Economic Indicators- February 2014

	Feb. 2013	Jan. 2014	Feb. 2014
Inflation Rate	37.9	25.9	25.9(Jan)
RBM Bank Rate	25.0	25.0	25.0
Prime Rate	35.0	40.0	36.0
91 Days T-Bill	32.45	22.87	15.68
182 Days T-Bill	36.56	24.66	17.15
364 Days T-Bill	37.30	25.03	19.19
Import Cover(Months)	0.91(22 Feb)	2.13	2.43

Source: Reserve Bank of Malawi, National Bank of Malawi and National Statistical Office

The 91 days, 182 days and 364 days treasury bills decreased by 31.44%, 30.45% and 23.33% respectively between January 2014 and February 2014.

Import cover inched upwards by 0.14% from 2.13 months in January 2014 to 2.43 months in February 2014.