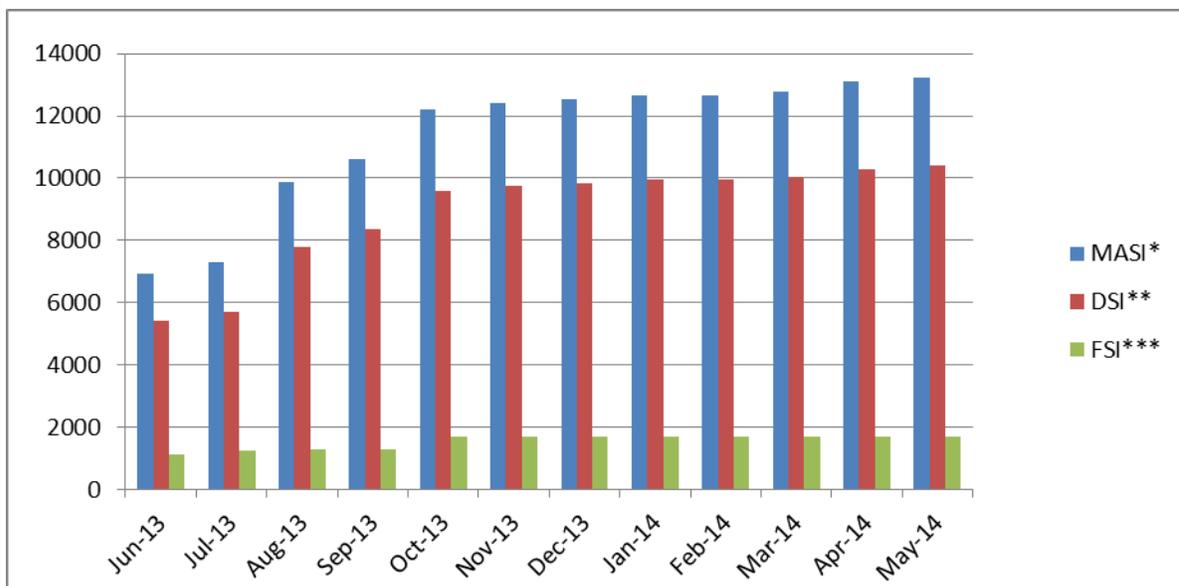




MALAWI STOCK EXCHANGE

MONTHLY MARKET REPORT

MAY 2014



MALAWI STOCK EXCHANGE

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MALAWI STOCK EXCHANGE LIMITED

MONTHLY MARKET PERFORMANCE REPORT FOR MAY 2014

1.0 TRADING SUMMARY

The Market registered a positive monthly return on index of 1.12%(1.36% in US Dollar terms) to close the month of May at 13233.53 points compared to 13087.48 in April 2014 and an increase in both traded value and volume.

Index Levels and Return – MAY 2014

INDEX	Jan. 2014	Apr. 2014	May 2014	Monthly % Δ	YTD % Δ
MASI	12531.04	13087.48	13233.53	1.12 ▲	5.61 ▲
DSI	9850.19	10293.23	10409.40	1.13 ▲	5.68 ▲
FSI	1709.34	1709.34	1709.34	0.00 ■	0.00 ■

Trading Statistics – MAY 2014

	MAY 2014	APRIL 2014	% Δ
Traded Value (MK)	4,906,161,765.51	722,918,791.54	578.66▲
Traded Value (US\$)	12,366,167.04	1,785,577.45	592.56▲
Traded Vol. Shares	1,494,922,408	35,558,864	4104.08▲
No. of Transactions	114	141	19.15 ▼
Index Close (MASI)	13233.53	13087.48	1.12 ▲
Index Close (DSI)	10409.40	10293.23	1.13 ▲
Listed companies	14	14	
Traded Companies	13	13	
Not Traded Companies	01	01	
Gainers	06	05	
Decliners	01	00	
Unchanged	06	08	

2.0 MARKET PERFORMANCE

2.1 Trade Performance Analysis

A total of 1,494,922,408 [917,047,544, May 2013] shares were transacted in the month of May 2014 at a total consideration of MK4,906,161,765.51(US\$12,366,167.04) MK159,794,767.35(US\$667,625.13), May 2013] in 114 trades. In the previous month, April 2014, the market transacted a total of 35,558,864 shares at a total consideration of

MK722,918,791.54(US\$1,785,577.45) in 141 trades. This reflects a 4104.08% increase in terms of share volume and 578.66% increase (592.56% in US Dollar terms) in share value.

The market registered an average daily volume of 71,186,781 shares in May 2014 compared to 1,693,279 shares in April 2014.

The average daily turnover for May 2014 was MK233,626,750.74 (US\$588,865.10) compared to MK34,424,704.36 (US\$85,027.50) for the previous month, reflecting an increase of 578.66% (592.56% in US Dollar terms).

TABLE 1: TRADING SUMMARY FOR MAY 2014

DATE	VOLUME	VALUE (MWK)	VALUE (US\$)
April	35,558,864	722,918,791.54	1,785,577.45
May	1,494,922,408	4,906,161,765.51	12,366,167.04
% CHANGE	4104.08 ▲	578.66 ▲	592.56 ▲

2.2 Market Capitalisation and Index

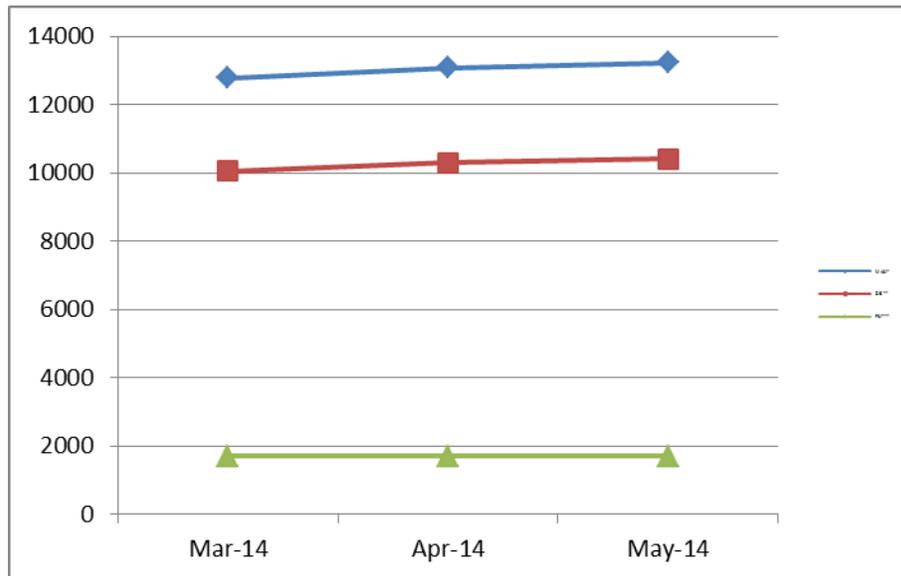
The market registered a positive return on index as reflected in the upward movement of the Malawi All Share Index (MASI) from 13087.48 points registered on 30th April 2014 to 13233.53 points registered on 31st May 2014, giving a monthly return on index of 1.12%, (1.36% in US\$ terms). The price gains registered by six counters, Illovo, National Bank of Malawi, NICO Holdings Ltd, National Investment Trust Ltd, Press Corporation Ltd, and REAL Insurance were enough to offset a share price loss registered by NBS bank resulting into an increase in the Domestic Share Index by 1.13% from 10293.23 points to 10409.40 points (1.37% in US\$ terms). The Foreign Share Index was steady at 1709.34 points.

Table 2: Market Capitalization and Index – May 2014

Month Ending	Mkt. Cap. MKm.	Mkt. Cap US\$m	Mkt. Cap. MKm*	Mkt. Cap US\$m*	MASI
April	7,204,735.72	18,115.8378	550,592.01	1,384.4277	13087.48
May	7,222,765.66	18,205.2551	567,351.10	1,430.0300	13233.53

* Excludes non-Malawi register Old Mutual plc shares

FIG 1: MSE INDICES – May 2014



2.3 Market Liquidity

The turnover velocity measured by the ratio of Total Value of Trades to Market Capitalisation (**TVT/MCAP***) in May was recorded at 0.86% compared to 0.13% registered in the previous month. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.21% for May 2014 compared to 0.03% in April 2014.

Table 3: Market Liquidity – May 2014

MONTH Ended	Mkt. Cap/GDP %	Mkt. Cap/GDP* %	TVT/GDP %	TVT/Mkt. Cap* %	Shares Traded/Shares In Issue* %
April	313.95	23.992	0.03150	0.1313	0.202145
May	314.73	24.722	0.21379	0.8647	8.485477

* Excludes non-Malawi register Old Mutual plc shares

2.4 Company Trading Performance

Top Gainers

MSE CODE	COUNTER NAME	% GAIN
NICO	NICO Holdings Ltd	5.92
REAL	REAL Insurance	4.35
NBM	National Bank of Malawi	3.00
PCL	Press Corporation Ltd	2.57
NITL	National Investment Trust Ltd	1.46
ILLOVO	Illovo Sugar Malawi	0.34

Six counters registered a capital gain in May 2014.

Top Losers

MSE CODE	COUNTER NAME	% LOSS
NBS	NBS Bank	3.13

One counter registered a capital loss in May 2014

Top Five Traded Stocks by Volume- May 2014

MSE CODE	COUNTER NAME	SHARES	% OF TOTAL
TNM	TNM	1,489,242,129	99.62
NICO	NICO Holdings Ltd	3,738,082	0.25
SUNBIRD	Sunbird Tourism Ltd	659,325	0.04
MPICO	MPICO Ltd	590,553	0.04
FMB	FMB Bank	168,137	0.01

Top Five Traded Stocks by Value- May 2014

MSE CODE	COUNTER NAME	MK	% OF TOTAL
TNM	TNM	4,770,088,738.30	97.23
NICO	NICO Holdings Ltd	71,604,220.30	1.46
NBM	National Bank of Malawi	29,582,959.44	0.60
STANDARD BANK	Standard Bank	8,677,892.72	0.18
NITL	National Investment Trust Ltd	6,161,600.00	0.13

Company Trading Statistics- May 2014

Company	Opening Price	Closing Price	% Price Change	Share Vol. Traded	Value Traded MK
BHL	800	800	0.00%	-	-
FMB	1500	1500	0.00%	168,137	2,522,055.00
ILLOVO	29200	29300	0.34%	17,169	5,018,348.00
MPICO	200	200	0.00%	590,553	1,181,106.00
NBM	22800	23484	3.00%	128,649	29,582,959.44
NBS	1600	1550	-3.13%	38,865	611,840.00
NICO	1841	1950	5.92%	3,738,082	71,604,220.30
NITL	3154	3200	1.46%	192,550	6,161,600.00
PCL	31100	31900	2.57%	8,970	2,837,526.00
REAL	115	120	4.35%	113,980	136,776.00
STANDARDBANK	39500	39501	0.00%	21,969	8,677,892.72
SUNBIRD	755	755	0.00%	659,325	4,977,903.75
TNM	320	320	0.00%	1,489,242,129	4,770,088,738.30
OML	136000	136000	0.00%	2,030	2,760,800.00
				1,494,922,408	4,906,161,765.51

3.0 ECONOMIC POSITION

- 3.1 The Malawi Kwacha gained against most major trading currencies between 30th April 2014 and 31st May, 2014 as shown in Table 2 below;

TABLE 2: MONTHLY EXCHANGE RATES: Apr. 2014-May 2014

CURRENCY	END APR' 2014	END MAY' 2014	% CHANGE
MK/US Dollar	397.7037	396.7407	0.24
MK/GBP	666.0651	660.9765	0.77
MK/ZAR	37.0576	37.4784	-1.12
MK/EUR	541.9576	532.8127	1.72

Source: National Bank of Malawi.

- 3.2 The inflation for April 2014 stood at 23.9% down by 0.1% from the March figure of 24.0% on account of a decrease in both food and non-food inflation from 19.6% to 19.1% and from 28.9% to 28.5% respectively.

The urban and rural inflation rates for the month of April 2014 were 33.7% and 19.1% respectively.

- 3.3 Key Economic indicators for May 2014

	May 2013	Apr. 2014	May. 2014
Inflation Rate	31.0	23.9	23.9(Apr)
RBM Bank Rate	25.0	25.0	25.0
Prime Rate	40.0	36.0	36.0
91 Days T-Bill	33.39	18.35	20.57
182 Days T-Bill	35.06	25.28	26.70
364 Days T-Bill	37.63	24.99	26.88
Import Cover(Months)	1.82(May 29)	2.38	2.37

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

The 91 days, 182 days and 364 days treasury bills increased by 12.10%, 5.62% and 7.56% respectively between April 2014 and May 2014.

Import cover fell by 0.42% from 2.38 months in April 2014 to 2.37 months in May 2014 because of depletion of reserves from US\$454.0 million on 30th April 2014 to US\$452.0 million on 29th May 2014.