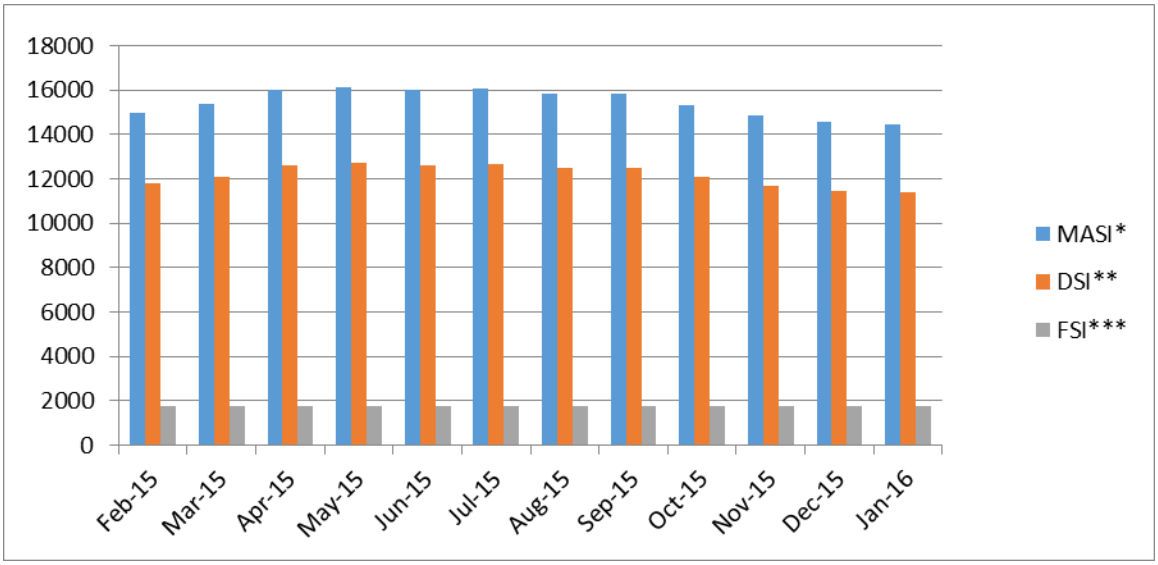
MALAWI STOCK EXCHANGE

MONTHLY MARKET REPORT

JANUARY 2016



MALAWI STOCK EXCHANGE
OLD RESERVE BANK BUILDING, VICTORIA AVENUE
PRIVATE BAG 270
BLANTYRE

TEL. (265) 01 824 233
FAX. (265) 01 823 636
E-mail. mse@mse-mw.com
WEBSITE. www.mse.co.mw

MALAWI STOCK EXCHANGE LIMITED

MONTHLY MARKET PERFORMANCE REPORT FOR JANUARY 2016

1.0 TRADING SUMMARY

The Market registered a monthly negative return on index of -0.84% (-9.56% in US Dollar terms) to close the month of January at 14440.24 points compared to 14562.53 points in December 2015 and a decrease in both traded volume and value.

There were no trades on the listed government bonds.

Index Levels and Return – JANUARY 2016

INDEX	Jan. 2015	Dec. 2015	Jan. 2016	Monthly % Δ	YTD % Δ
MASI	14942.70	14562.53	14440.24	0.84 ▼	0.84 ▼
DSI	11765.26	11462.87	11365.60	0.85 ▼	0.85 ▼
FSI	1762.13	1762.13	1762.13	0.00 ■	0.00 ■

Trading Statistics – JANUARY 2016

	JANUARY 2016		DECEMBER 2015	% Δ
Traded Value (MK)	99,852,436.20		7,932,801,029.60	98.74 ▼
Traded Value (US$)	143,759.67		13,025,264.33	98.90 ▼
Traded Vol. Shares	2,795,087		267,920,293	98.96 ▼
No. of Transactions	80		46	73.91 ▲
Index Close (MASI)	14440.24		14562.53	0.84 ▼
Index Close (DSI)	11365.60		11462.87	0.85 ▼
Listed companies	14		14	
Traded Companies	13		11	
Not Traded Companies	01		03	
Gainers	**01**		**01**	
Decliners	**02**		**04**	
Unchanged	10		06	

2.0 MARKET PERFORMANCE

2.1 Trade Performance Analysis

A total of 2,795,087 [*13,253,003, Jan. 2015*] shares were transacted in the month of January 2016 at a total consideration of MK99,852,436.20(US$143,759.67) [*MK306,518,657.27(US$671,125.33), Jan. 2015*] in 80 trades. In the previous month, December 2015, the market

transacted a total of 267,920,293 shares at a total consideration of MK7,932,801,029.60(US$13,025,264.33) in 46 trades. This reflects a -98.96% decrease in terms of share volume and -98.74% (-98.90% in US Dollar terms) decrease in share value.

The market registered an average daily volume of 133,099 shares in January 2016 compared to 12,758,109 shares in December 2015.

The average daily turnover for January 2016 was MK4,754,877.91 (US$6,845.70) compared to MK377,752,429.98 (US$620,250.68) for the previous month, reflecting a decrease of 98.74% (98.90% in US Dollar terms).

TABLE 1: TRADING SUMMARY FOR JANUARY 2016

DATE	VOLUME	VALUE (MWK)	VALUE (US$)
December	267,920,293	7,932,801,029.60	13,025,264.33
January	2,795,087	99,852,436.20	143,759.67
% CHANGE	98.96 ▼	98.74 ▼	98.90 ▼

2.2 Market Capitalisation and Index

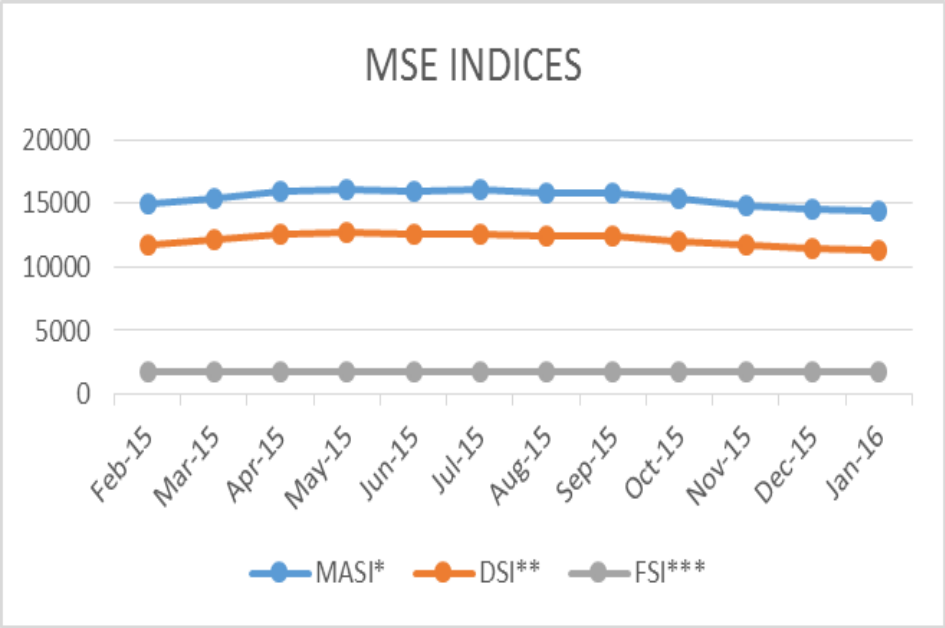
The market registered a negative return on index as reflected in the downward movement of the Malawi All Share Index (MASI) from 14562.53 points registered on 31st December 2015 to 14440.24 points registered on 31st January 2016, giving a monthly return on index of -0.84%, (-9.56% ▼ in US$ terms). The price gain registered by one counter,BHL was not enough to offset share price losses registered by two counters, MPICO and TNM resulting into a decrease in the Domestic Share index by -0.85% (-9.56%▼ in US$ terms) from 11462.87 points to 11365.60 points. The Foreign Share Index was steady at 1762.13 points.

Table 2: Market Capitalization and Index – January 2016

Month Ending	Mkt. Cap. MKm.	Mkt. Cap US$m	Mkt. Cap. MKm*	Mkt. Cap US$m*	MASI
December	7,522,117.08	11,320.9008	622,115.40	936.2932	14562.53
January	7,516,892.89	10,318.6357	616,891.21	846.8227	14440.24

*** Excludes non-Malawi register Old Mutual plc shares**

FIG 1: MSE INDICES – January 2016



2.3 Market Liquidity

The turnover velocity measured by the ratio of Total Value of Trades to Market Capitalisation **(TVT/MCAP*),** an indicator of the liquidity of assets traded on the market, in January was recorded at 0.02% compared to 1.28% registered in the previous month. The ratio of Total Value of Trades to Gross Domestic Product **(TVT/GDP)** recorded a liquidity level of 0.003% in January 2016 compared to 0.25% in December 2015.

Table 3: Market Liquidity – January 2016

MONTH Ended	Mkt. Cap/GDP %	Mkt. Cap/GDP* %	TVT/GDP %	TVT/Mkt. Cap* %	Shares Traded/Shares In Issue* %
December	235.04	19.439	0.24787	1.2751	1.521229
January	234.87	19.275	0.00312	0.0162	0.015870

*** Excludes non-Malawi register Old Mutual plc shares**

2.4 Company Trading Performance

Top Gainers

MSE CODE	COUNTER NAME	% GAIN
BHL	Blantyre Hotels Limited	2.08 ▲

One counter registered a capital gain in January 2016.

Top Losers

MSE CODE	COUNTER NAME	% LOSS
TNM	TNM	8.33 ▼
MPICO	MPICO Limited	2.44 ▼

Two counters registered capital losses in January 2016.

Top Four Traded Stocks by Volume- January 2016

MSE CODE	COUNTER NAME	SHARES	% OF TOTAL
TNM	TNM	1,262,593	45.17
BRITAM	BRITAM Insurance Company Limited	665,385	23.81
MPICO	MPICO Limited	372,363	13.32
BHL	Blantyre Hotels Limited	158,296	5.66

Top Four Traded Stocks by Value- January 2016

MSE CODE	COUNTER NAME	MK	% OF TOTAL
STANDARD	Standard Bank Malawi	64,995,040.00	65.09
NBM	National Bank of Malawi	11,941,788.00	11.96
TNM	TNM	7,312,708.00	7.32
PCL	Press Corporation Limited	5,142,420	5.15

Company Trading Statistics- January 2016

Company	Opening Price	Closing Price	% Price Change	Share Vol. Traded	Value Traded MK
BHL	960	980	**2.08%**	158,296	1,551,300.80
FMB	1400	1400	**0.00%**	103,080	1,443,120.00
ILLOVO	23000	23000	**0.00%**	200	46,000.00
MPICO	820	800	**-2.44%**	372,363	2,996,298.40
NBM	25800	25800	**0.00%**	46,286	11,941,788.00
NBS	2300	2300	**0.00%**	16,254	373,842.00
NICO	2800	2800	**0.00%**	10,550	295,400.00
NITL	5500	5500	**0.00%**	1,065	58,575.00
PCL	53500	53500	**0.00%**	9,612	5,142,420.00
REAL	200	200	**0.00%**	665,385	1,330,770.00
STANDARD	44000	44000	**0.00%**	147,716	64,995,040.00
SUNBIRD	2300	2300	**0.00%**	-	-
TNM	600	550	**-8.33%**	1,262,593	7,312,708.00
OML	140200	140200	**0.00%**	1,687	2,365,174.00
				2,795,087	**99,852,436.20**

3.0 ECONOMIC POSITION

3.1 The Malawi Kwacha depreciated against all major trading currencies between 31st December 2015 and 31st January, 2016 as shown in Table 4 below;

TABLE 4: MONTHLY EXCHANGE RATES: Dec 2015-Jan. 2016

CURRENCY	END DEC' 2015	END JAN' 2016	% CHANGE
MK/US Dollar	664.4451	728.4774	8.79 ▼
MK/GBP	985.3847	1050.7695	6.22 ▼
MK/ZAR	43.3840	45.6824	5.03 ▼
MK/EUR	726.6230	795.9299	8.71 ▼

Source: National Bank of Malawi.

3.2 The year on year headline inflation inched upwards by 0.3 points to 24.9% in December, 2015 from 24.6% in November, 2015 on account of an increase in both food and non-food inflation in the review period.

The urban and rural inflation rates for the month of December, 2015 were 19.1% and 29.1% respectively.

Key Economic Indicators- January 2016

	Jan. 2015	Dec. 2015	Jan. 2016
Inflation Rate	21.2	24.9	24.9(Dec)
Policy Rate	25.0	27.0	27.0
Prime Rate	37.0	34.0	34.0
91 Days T-Bill	26.77		
182 Days T-Bill	27.00		25.4274
364 Days T-Bill	26.99		26.4996
Import Cover(Months)	3.40	3.19	2.89

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

Import cover fell by 9.40% from 3.19 months on 31st December, 2015 to 2.89 months on 31st January, 2016.