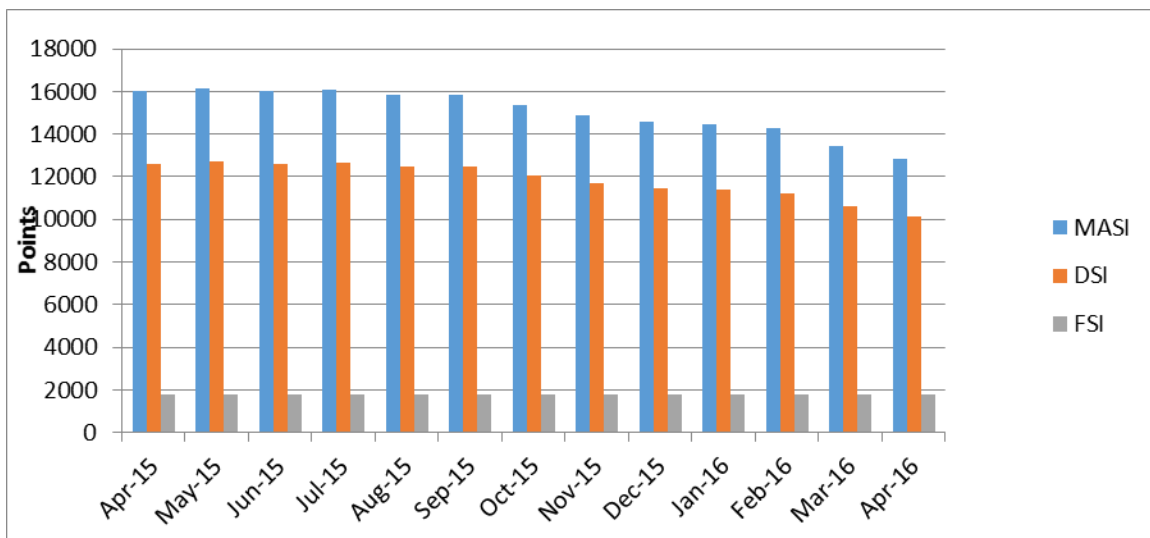




MALAWI STOCK EXCHANGE

## MONTHLY MARKET REPORT

APRIL 2016



**MALAWI STOCK EXCHANGE**

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# MALAWI STOCK EXCHANGE LIMITED

## MONTHLY MARKET PERFORMANCE REPORT FOR APRIL 2016

### 1.0 TRADING SUMMARY

The market was bearish in April 2016 as it registered a negative return on investment of **-4.17%** (**-4.76%** in US\$ terms) though lower, compared to **-5.91%** (**2.26%** in US\$ terms) in March 2016. It however, registered an increase in both traded value and volume. BRITAM officially delisted on 18<sup>th</sup> April, 2016.

There were no trades on the two government bonds.

#### Index Levels and Return – APRIL 2016

INDEX	Jan. 2016	Mar. 2016	Apr. 2016	Monthly % Δ	YTD % Δ
<b>MASI</b>	14562.53	13419.95	12861.07	<b>4.17 ▼</b>	<b>11.68 ▼</b>
<b>DSI</b>	11462.87	10595.16	10109.50	<b>4.58 ▼</b>	<b>11.81 ▼</b>
<b>FSI</b>	1762.13	1762.13	1762.13	<b>0.00 ■</b>	<b>0.00 ■</b>

#### Trading Statistics – APRIL 2016

	APRIL 2015	APRIL 2016	MARCH 2016	% Δ
Traded Value (MK)	31,210,863,821.43	528,512,298.00	89,521,602.30	<b>490.37▲</b>
Traded Value (US\$)	70,878,247.78	774,054.23	125,394.56	<b>517.29▲</b>
Traded shares	1,606,464,275	54,962,804	5,067,001	<b>984.72▲</b>
No. of deals	136	74	73	<b>1.37 ▲</b>
MASI Close	16024.62	12861.07	13419.95	<b>4.17 ▼</b>
Listed companies	14	13	14	
Traded Companies	13	13	14	
Not Traded Companies	01	00	00	
<b>Gainers</b>	<b>06</b>	<b>03</b>	<b>03</b>	
<b>Decliners</b>	<b>00</b>	<b>05</b>	<b>01</b>	
Unchanged	07	05	10	

### 2.0 MARKET PERFORMANCE

#### 2.1 Trade Performance Analysis

The market transacted a total of 54,962,804 [1,606,464,275 Apr. 2015] shares in the month of April 2016 at a total consideration of

MK528,512,298.00(US\$774,054.23)[MK31,210,863,821.43(US\$70,878,247.78), Apr. 2015] in 74 trades. In the previous month, March 2016, the market transacted a total of 5,067,001 shares at a total consideration of MK89,521,602.30(US\$125,394.56) in 73 trades. This reflects a **984.72%** increase in terms of share volume and **490.37%** increase (**517.29%▲** in US Dollar terms) in share value. The increase in volume and value was mainly driven by the TNM block transaction between related parties.

The market registered an average daily traded volume of 2,617,276 shares in April 2016 compared to 241,286 shares in March 2016.

The average daily turnover for April 2016 was MK25,167,252.29 (US\$36,859.73) compared to MK4,262,933.44 (US\$5,971.17) for the previous month, reflecting an increase of **490.37%** (**517.29%▲** in US Dollar terms).

**TABLE 1: TRADING SUMMARY FOR APRIL 2016**

DATE	VOLUME	VALUE (MWK)	VALUE (US\$)
March 2016	5,067,001	89,521,602.30	125,394.56
April 2016	54,962,804	528,512,298.00	774,054.23
<b>% CHANGE</b>	<b>984.72 ▲</b>	<b>490.37 ▲</b>	<b>517.29 ▲</b>

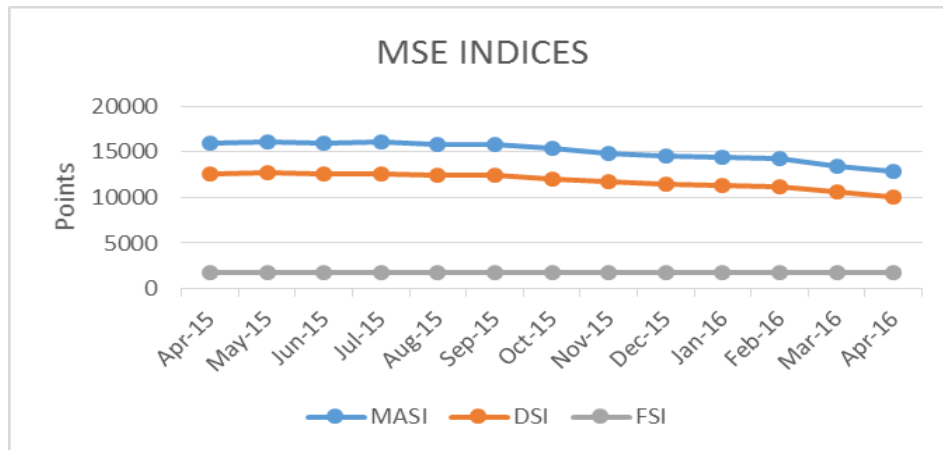
## 2.2 Market Capitalisation and Index

The market registered a negative return on index as reflected in the downward movement of the Malawi All Share Index (MASI) from 13419.95 points registered on 31st March 2016 to 12861.07 points registered on 30<sup>th</sup> April 2016, giving a monthly return on index of **-4.17%**, (**-4.76%** in US\$ terms). The price gains registered by three counters, Blantyre Hotels limited, FMB Bank and Sunbird Tourism limited were not enough to offset share price losses registered by five counters, Illovo Sugar Malawi, MPICO limited, NBS bank, NICO Holdings limited and National Investments Trust limited resulting into a decrease in the Domestic Share Index by **-4.58%** from 10595.16 points to 10109.50 points (**-4.81%** in US\$ terms). The Foreign Share Index was steady at 1762.13 points.

**Table 2: Market Capitalization and Index – April 2016**

Month Ending	Mkt. Cap. MKm.	Mkt. Cap US\$m	Mkt. Cap. MKm*	Mkt. Cap US\$m*	MASI
March 2016	7,473,305.73	10,951.26	573,304.05	840.11	13419.95
April 2016	7,448,932.42	10,847.42	548,930.74	799.37	12861.07

\* Excludes non-Malawi register Old Mutual plc shares

**FIG 1: MSE INDICES – April 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 April was recorded at 0.10% compared to 0.02% registered in the previous month. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.01% for April 2016 compared to 0.002% in March 2016.

**Table 3: Market Liquidity – April 2016**

MONTH	Mkt. Cap/GDP	Mkt. Cap/GDP*	TVT/GDP	TVT/Mkt. Cap*	Shares Traded/Shares
Ended	%	%	%	%	In Issue* %
Mar. 2016	191.07	14.658	0.00229	0.0156	0.028770
April 2016	190.45	14.035	0.01351	0.0963	0.316664

\* Excludes non-Malawi register Old Mutual plc shares

## 2.4 Company Trading Performance

### Top Gainers

MSE CODE	COUNTER NAME	% GAIN
BHL	Blantyre Hotels Limited	31.63 ▲
SUNBIRD	Sunbird Tourism Limited	6.67 ▲
FMB	FMB Bank	4.17 ▲

Three counters registered capital gains in April 2016.

### Top Losers

MSE CODE	COUNTER NAME	% Loss
MPICO	MPICO Limited	23.08 ▼
NBS	NBS Bank	16.67 ▼
ILLOVO	Illovo Sugar Malawi	14.31 ▼
NITL	National Investment Trust Ltd	8.00 ▼
NICO	NICO Holdings Limited	2.08 ▼

Five counters registered capital losses in April 2016.

### Top Five Traded Stocks by Volume- April 2016

MSE CODE	COUNTER NAME	SHARES	% OF TOTAL
TNM	Telekom Networks Malawi	52,635,115	95.76
ILLOVO	Illovo Sugar Malawi	1,295,358	2.36
FMB	FMB Bank	670,706	1.22
SUNBIRD	Sunbird Tourism Limited	121,000	0.22
MPICO	MPICO Limited	89,472	0.16

### Top Five Traded Stocks by Value- April 2016

MSE CODE	COUNTER NAME	MK	% OF TOTAL
TNM	Telekom Networks Malawi	263,175,575.00	49.79
ILLOVO	Illovo Sugar Malawi	230,644,680.00	43.64
STANDARD	Standard Bank Malawi	14,551,240.00	2.75
FMB	FMB Bank	6,657,180.00	1.26
NBM	National Bank of Malawi	4,179,858.00	0.79

## Company Trading Statistics- April 2016

Company	Opening Price	Closing Price	% Price Change	Share Vol. Traded	Value Traded MK
BHL	980	1290	31.63%	10,000	120,750.00
FMB	960	1000	4.17%	670,706	6,657,180.00
ILLOVO	20000	17138	-14.31%	1,295,358	230,644,680.00
MPICO	780	600	-23.08%	89,472	595,835.80
NBM	25800	25800	0.00%	16,201	4,179,858.00
NBS	1800	1500	-16.67%	81,000	1,219,132.20
NICO	2400	2350	-2.08%	3,500	83,750.00
NITL	5000	4600	-8.00%	2,000	92,000.00
PCL	53500	53500	0.00%	4,595	2,458,325.00
STANDARD BANK	44000	44000	0.00%	33,071	14,551,240.00
SUNBIRD	3000	3200	6.67%	121,000	3,632,000.00
TNM	500	500	0.00%	52,635,115	263,175,575.00
OML	140200	140200	0.00%	786	1,101,972.00
				<b>54,962,804</b>	<b>528,512,298.00</b>

## 3.0 ECONOMIC POSITION

### 3.1 Foreign Exchange Market

The Malawi Kwacha depreciated against all major trading currencies between 31<sup>st</sup> March 2016 and 30<sup>th</sup> April, 2016 as shown in Table 4 below;

**TABLE 4: MONTHLY EXCHANGE RATES: Mar. 2016-Apr. 2016**

CURRENCY	END MAR' 2016	END APR' 2016	% CHANGE
MK/US Dollar	682.4150	686.7010	0.62 ▼
MK/GBP	978.7879	1006.2010	2.72 ▼
MK/ZAR	45.7205	48.2116	5.17 ▼
MK/EUR	772.0724	782.3869	1.32 ▼
<b>Forex Reserves</b>			
Gross Reserves(US\$m)	631.18	621.73	1.50 ▼
Import Cover(Months)	3.02	2.97	1.66 ▼

Source: National Bank of Malawi and Reserve Bank of Malawi.

### 3.2 Inflation

The inflation for March 2016 stood at 22.1% down by 1.3% from the February figure of 23.4% on account of a decrease in both food and non-food inflation from 28.6% to 26.5% and from 17.9% to 17.7% respectively.

The urban and rural inflation rates for the month of March 2016 were 17.8% and 24.9% respectively.

	April 2015	March 2016
Headline (%)	18.8	22.1
Food (%)	18.10	26.50
Non-food (%)	19.50	17.70
Urban (%)	19.00	17.80
Rural (%)	19.50	24.90

Source: National Statistical Office

### 3.3 Interest Rates

The 91 days treasury bill, the 182 days treasury bill and the 364 days treasury bill increased by 2.92, 3.42 and 1.84 percentage points respectively, between March 2016 and April 2016.

	Apr. 2015	Mar. 2016	Apr. 2016
RBM Bank Rate	25.0	27.0	27.0
Prime Rate	37.0	34.0	34.0
91 Days T-Bill	24.13	27.69	28.50
182 Days T-Bill	24.29	28.04	29.00
364 Days T-Bill	25.33	28.46	28.99

Source: Reserve Bank of Malawi and National Bank of Malawi.