

MONTHLY MARKET REPORT

JULY 2016



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MALAWI STOCK EXCHANGE

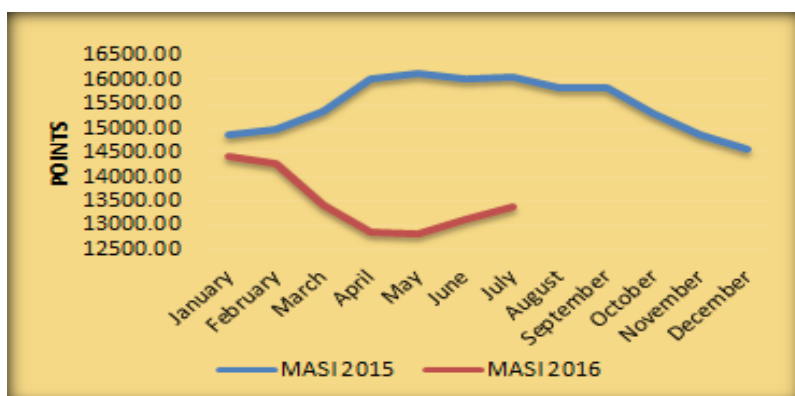
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1. EQUITY TRADING SUMMARY

The market was marginally bullish in the month of July as it registered a positive return on investment of **1.95%** (**0.89%** in US\$ terms) and an increase in total traded volume despite registering a decrease in total traded value.

Index Levels and Return – July 2016

INDEX	JUNE 2016	JULY, 2016	JULY 2016	JULY 2015	% Δ YTD. 2016
MASI	13126.13	13381.50	1.95 ▲	0.28 ▲	8.11 ▼
DSI	10320.33	10523.46	1.97 ▲	0.29 ▲	8.20 ▼
FSI	1762.13	1762.13	0.00 ■	0.00 ■	0.00 ■



Trading Statistics – July 2016

	July 2016	July 2015	% Δ
Traded Value (MK)	79,415,164.70	160,580,210.34	50.54 ▼
Traded Value (US\$)	110,989.31	226,380.01	50.97 ▼
Traded Vol. Shares	9,822,509	5,499,723	78.60 ▲
No. of Transactions	67	85	21.18 ▼
Index Close (MASI)	13381.50	13126.13	1.95 ▲
Listed companies	13	14	
Traded Companies	11	14	
Not Traded Companies	02	00	
Gainers	02	04	
Decliners	01	01	
Unchanged	08	09	

2. MARKET PERFORMANCE



A. Trade Performance Analysis

The market transacted a total of 9,822,509 shares at a total consideration of MK79,415,164.70 (US\$110,989.31) in 67 trades. In the previous month, June 2016, the market transacted a total of 5,499,723 shares at a total consideration of MK160,580,210.34 (US\$226,380.01) in 85 trades. This reflects a **78.60%** increase in terms of share volume and a **-50.54%** (**-50.97%** in US Dollar terms) decrease in share value.

Daily average share trades exhibited similar trends where the market registered an average daily volume of 467,739 shares compared to 261,892 shares traded in June 2016.

The average daily turnover for July 2016 was MK3,781,674.51 (US\$5,285.21) compared with MK7,646,676.68 (US\$10,780.00) in June 2016, reflecting a decrease of **-50.54%** (**-50.97%** in US Dollar terms).

B. Market Capitalization and Index

The market registered a positive return on index as reflected in the upward movement of the Malawi All Share Index (MASI) from 13126.13 points registered in June 2016 to 13381.50 points registered in July 2016, giving a return on index of **1.95%**, (**0.89%** in US\$ terms). The price gains registered by SUNBIRD and TNM were enough to offset a share price loss registered by NICO resulting into an upward movement of the Malawi All Share Index, arising from an increase in the Domestic Share Index (**1.97%**). The Foreign Share Index was steady at 1762.13 points.

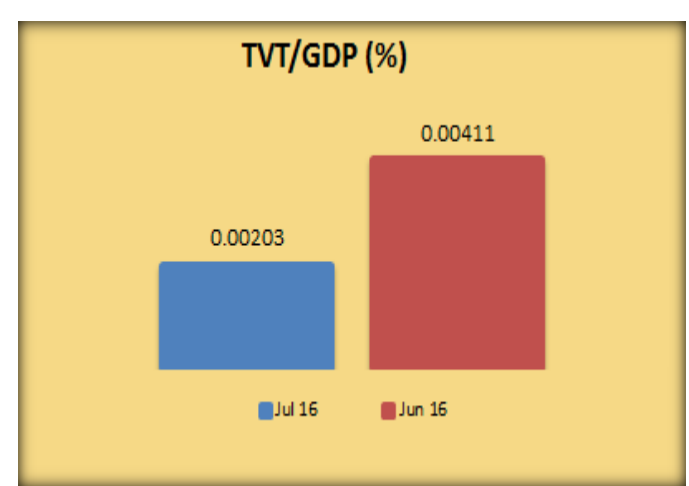
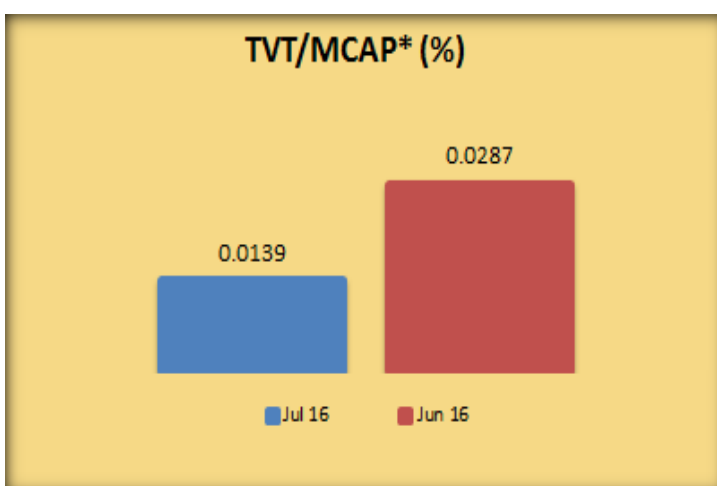
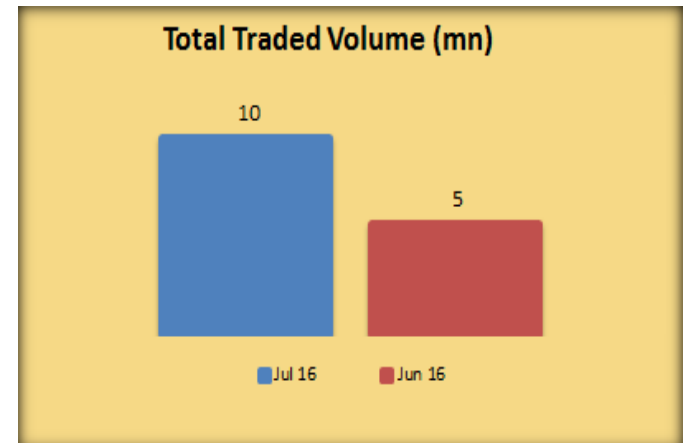
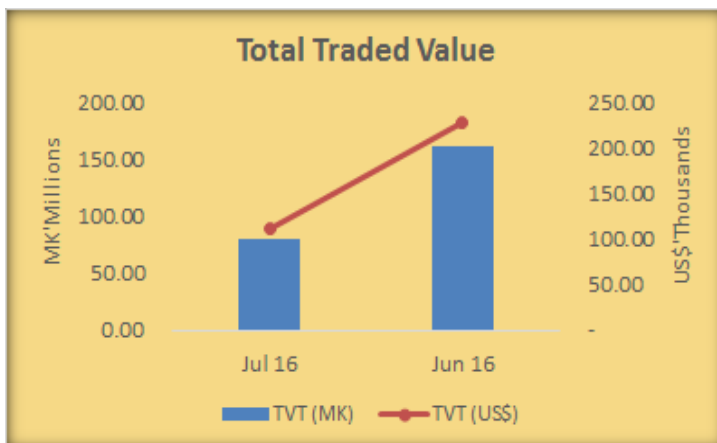
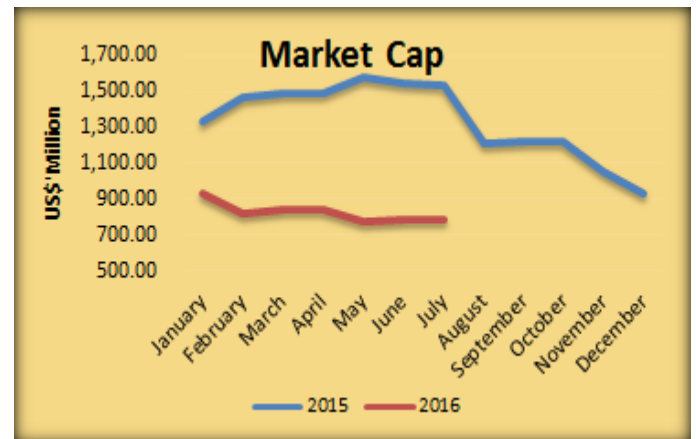
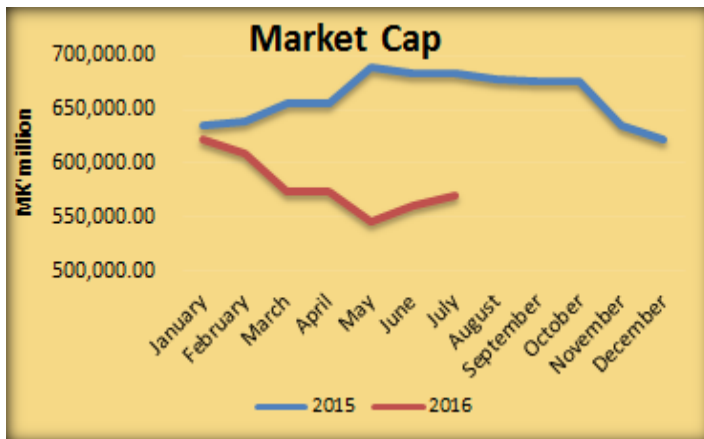
C. Market Liquidity

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 July 2016 was recorded at 0.01%, lower than 0.03% registered in June 2016. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.002% in July 2016 while during the previous month, June 2016, liquidity was at 0.004%.

2. MARKET PERFORMANCE



MALAWI STOCK EXCHANGE



3. COMPANY TRADING PERFORMANCE



Top gainers: Two
counters registered
capital gain

MSE CODE	COUNTER NAME	% GAIN
TNM	Telekom Networks Malawi	21.69 ▲
SUNBIRD	Sunbird Tourism Limited	14.06 ▲

Top Losers: One
counter registered
a capital loss

MSE CODE	COUNTER NAME	% LOSS
NICO	NICO Holdings Limited	13.64 ▼

C. Top Five Traded
Stocks by volume

MSE CODE	COUNTER NAME	SHARES	% of Total
TNM	Telekom Networks Malawi	4,856,499	49.44
NBS	NBS Bank	4,014,558	40.87
MPICO	MPICO Limited	596,310	6.07
NICO	NICO Holdings Limited	261,351	2.66
SUNBIRD	Sunbird Tourism Limited	64,670	0.66

C. Top Five Traded
Stocks by value

MSE CODE	COUNTER NAME	VALUE	% of Total
TNM	Telekom Networks Malawi	29,926,483.00	37.68
NBS	NBS Bank	28,101,906.00	35.39
STANDARD	Standard Bank Malawi	5,470,680.00	6.89
NICO	NICO Holdings Limited	4,965,669.00	6.25
MPICO	MPICO Limited	3,577,860.00	4.51

3. COMPANY TRADING PERFORMANCE

Company	Opening Price	Closing Price	% Price Change	Share Vol. Traded	% Traded	Value Traded MK
BHL	1290	1290	0.00%	-	0.00	-
FMB	1060	1060	0.00%	3,010	0.03	31,906.00
ILLOVO	17000	17000	0.00%	8,000	0.08	1,360,000.00
MPICO	600	600	0.00%	596,310	6.07	3,577,860.00
NBM	25800	25800	0.00%	208	0.00	53,664.00
NBS	700	700	0.00%	4,014,558	40.87	28,101,906.00
NICO	2200	1900	-13.64%	261,351	2.66	4,965,669.00
NITL	4495	4495	0.00%	-	0.00	-
PCL	53500	53500	0.00%	4,680	0.05	2,503,800.00
STANDARD	48000	48000	0.00%	12,418	0.13	5,470,680.00
SUNBIRD	3200	3650	14.06%	64,670	0.66	2,294,586.70
TNM	590	718	21.69%	4,856,499	49.44	29,926,483.00
OML PLC	140200	140200	0.00%	805	0.01	1,128,610.00
				9,822,509	100.00	79,415,164.70

4. BOND TRADING SUMMARY

BOND	MATURITY DATE	COUPON DATE	COUPON RATE (%)	NOMINAL VALUE (MK' M N)
MW5YN	31 December, 2016	30 June & 31 Dec	10	822.04
MW3YNR	30 June, 2017	30 June & 31 Dec	15	106,870.00
Total Outstanding Treasury bonds				107,692.04

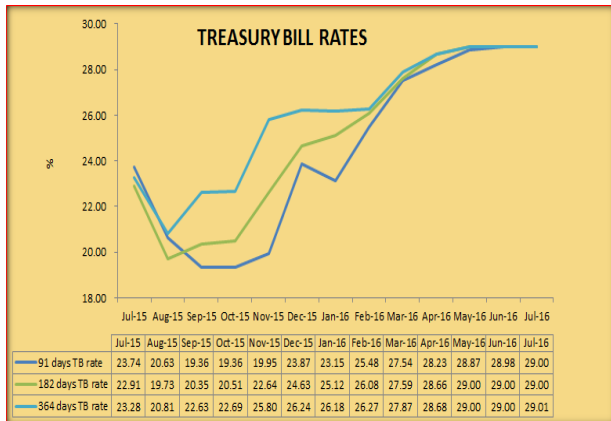
The first coupon payments for 2016 were paid on 30th June, 2016.

There were no trades on the two government bonds in the period under review.

5. ECONOMIC REVIEW

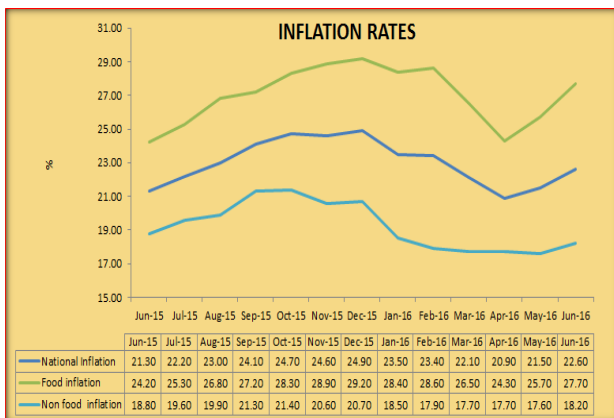
Interest Rates

During the period under review, the yields on treasury bills increased in two tenors as follows; 91 Tbill from 28.98% to 29.00%, and the 364 Tbill from 29.00% to 29.01%. The 182 Tbill was steady at 29.00%



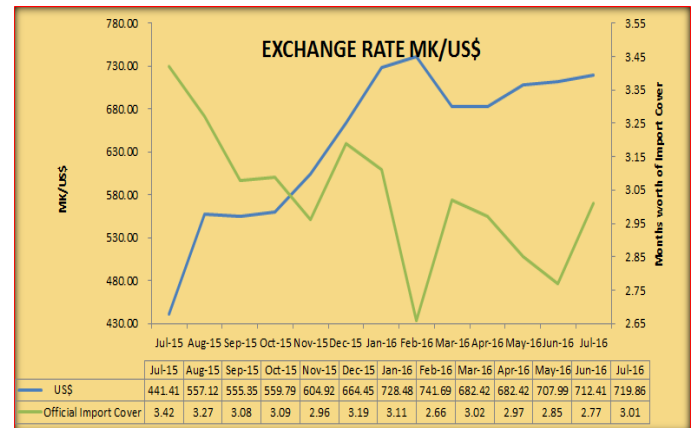
Inflation Rates

Headline inflation inched upwards by 1.1 percentage points from 21.5% in May, 2016 to 22.6% in June, 2016.



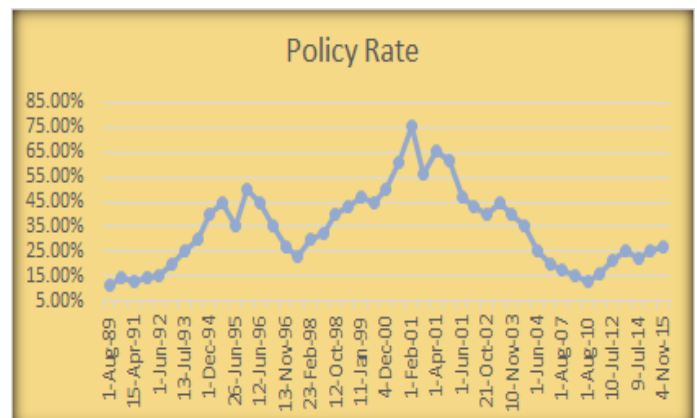
Exchange Rates

The Kwacha depreciated against the United States Dollar by -1.04% in the period under review.



Monetary Policy Rate

The monetary policy committee at its meeting held on 28th & 29th July 2016 resolved to maintain the monetary rate at 27%.



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