

# MONTHLY MARKET REPORT

## APRIL 2017



**Old Reserve Bank Building, Victoria Avenue**  
P/Bag 270  
Blantyre  
Malawi

Telephone: (265) 01 824 233; Fax: (265) 01 823 636

E-mail: [info@mse-mw.com](mailto:info@mse-mw.com)

Website: [www.mse.co.mw](http://www.mse.co.mw)

*Malawi's global portal*

# CONTENTS



MALAWI STOCK EXCHANGE

---

<i>Trading Summary</i>	<b>1</b>
<i>Market performance</i>	<b>2</b>
<i>Trade performance analysis</i>	<b>2</b>
<i>Market capitalization and index</i>	<b>2</b>
<i>Market liquidity</i>	<b>2</b>
<i>Company trading performance</i>	<b>3</b>
<i>Bonds</i>	<b>4</b>
<i>Economic review</i>	<b>5</b>

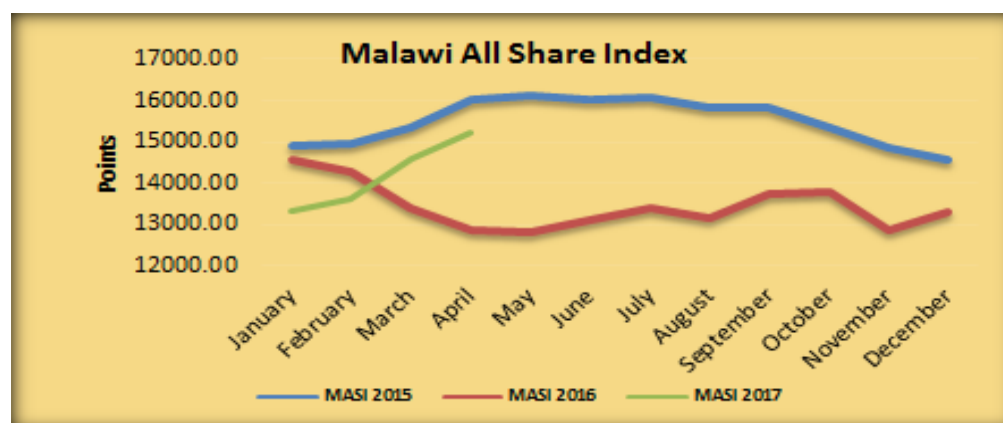
---

## 1. EQUITY TRADING SUMMARY

The market was bullish in the month of April 2017 as it registered a positive return on investment of **4.30%** (**4.30%** in US\$ terms) and an increase in total traded value despite a decrease in total traded volume.

### Index Levels and Return – April 2017

INDEX	APRIL 2017	MARCH 2017	Monthly % Δ 2017	Monthly % Δ 2016	% Δ YTD. 2017
MASI	15203.97	14577.62	<b>4.30 ▲</b>	<b>4.17 ▼</b>	<b>14.14 ▲</b>
DSI	11935.73	11437.62	<b>4.36 ▲</b>	<b>4.58 ▼</b>	<b>14.14 ▲</b>
FSI	2308.87	2308.87	<b>0.00 ■</b>	<b>0.00 ■</b>	<b>13.96 ▲</b>



### Trading Statistics – April 2017

	April 2017	March 2017	Monthly	April 2016	Y-O-Y %Δ
Traded Value (MK)	788,100,892.16	248,460,512.40	<b>217.19 ▲</b>	528,512,298.00	<b>49.12 ▲</b>
Traded Value (US\$)	1,086,054.82	342,501.15	<b>217.10 ▲</b>	774,054.23	<b>40.31 ▲</b>
Traded Vol. Shares	10,160,058	15,057,251	<b>32.52 ▼</b>	54,962,804	<b>81.51 ▼</b>
No. of Transactions	76	90	<b>15.56 ▼</b>	74	<b>2.70 ▲</b>
Index Close (MASI)	15203.97	14577.62	<b>4.30 ▲</b>	12861.07	<b>18.22 ▲</b>
Listed companies	13	13		13	
Traded Companies	12	12		13	
Not Traded Companies	01	01		00	
<b>Gainers</b>	<b>04</b>	<b>06</b>		<b>03</b>	
<b>Decliners</b>	<b>00</b>	<b>01</b>		<b>05</b>	
Unchanged	<b>08</b>	<b>05</b>		<b>03</b>	

## 2. MARKET PERFORMANCE



### A. Trade Performance Analysis

The market transacted a total of 10,160,058 shares at a total consideration of MK788,100,892.16 (US\$1,086,054.82) in 76 trades. In the previous month, March 2017, the market transacted a total of 15,057,251 shares at a total consideration of MK248,460,512.40 (US\$342,501.15) in 90 trades. This reflects a **32.52%** decrease in terms of share volume and a **217.19%** (**217.10%** in US Dollar terms) increase in share value.

Daily average share trades exhibited similar trends where the market registered an average daily volume of 483,812 shares compared to 717,012 shares traded in March 2017.

The average daily turnover for April 2017 was MK37,528,613.91 (US\$51,716.90) compared to MK11,831,452.97 (US\$16,309.58) in March 2017, reflecting an increase of **217.19%** (**217.10%** 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 14577.62 points registered in March 2017 to 15203.97 points registered in April 2017, giving a return on index of **4.30%** (**4.30%** in US\$ terms). The price gains registered by NBM, STANDARD, SUNBIRD and TNM were the major drivers resulting into an upward movement of the Malawi All Share Index, arising from an increase in the Domestic Share Index (**4.36%**). The Foreign Share Index was steady at 2308.87 points.

Market capitalization increased in both Kwacha and United States Dollar terms from MK632,134.64 million (US\$871.12 mln) in March 2017 to MK659,295.11 million (US\$908.55 mln) in April 2017.

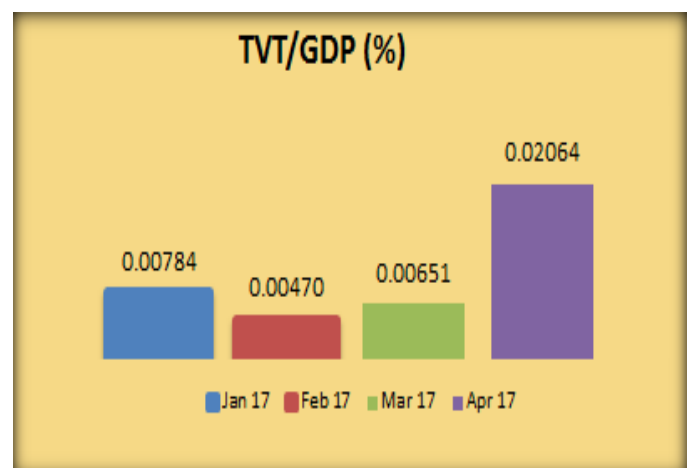
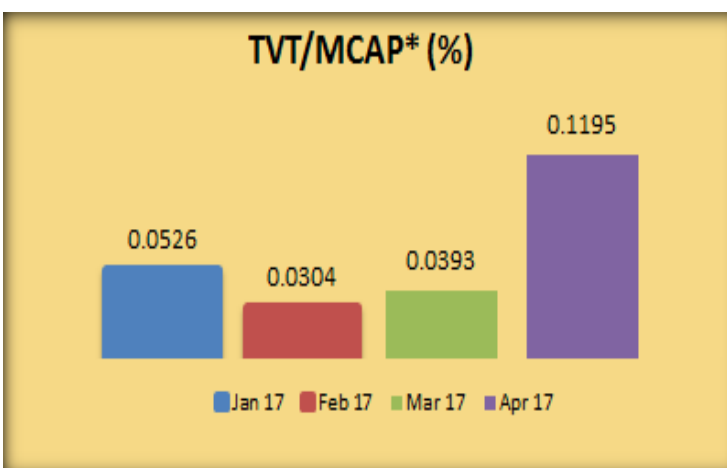
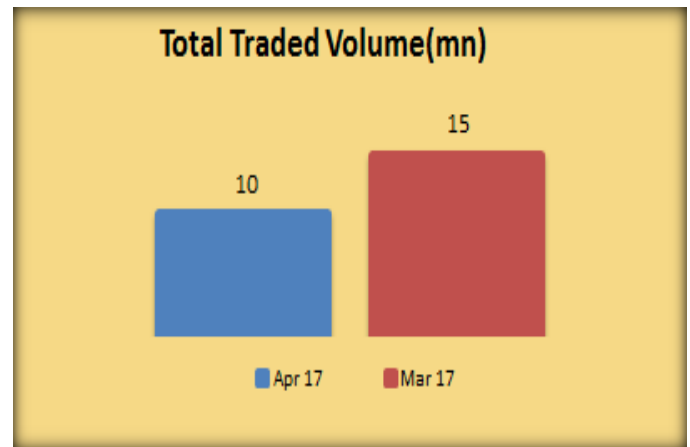
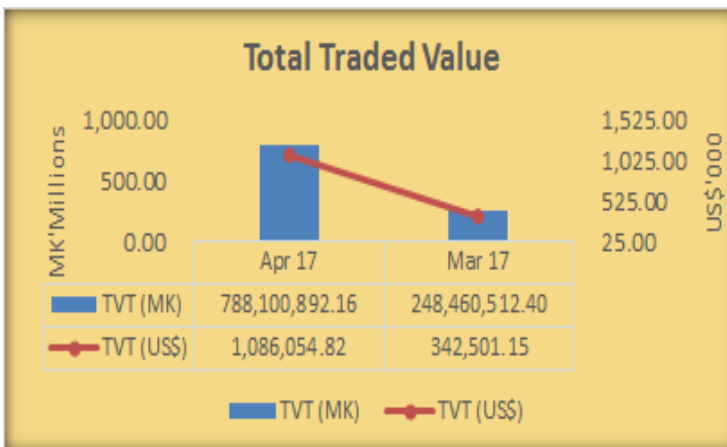
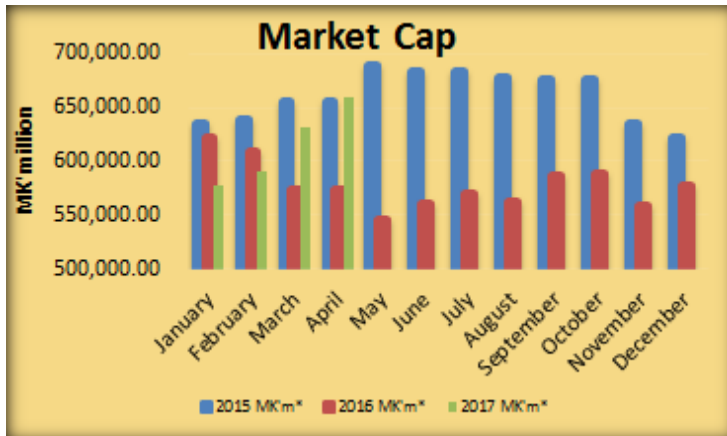
### C. Market Liquidity

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 April 2017 was recorded at 0.12%, higher than 0.04% registered in March 2017. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.02% in April 2017 while during the previous month, March 2017, liquidity was at 0.007%.

## 2. MARKET PERFORMANCE



MALAWI STOCK EXCHANGE



### 3. COMPANY TRADING PERFORMANCE

Top gainers: Four  
counters registered  
capital gains

MSE CODE	COUNTER NAME	% GAIN
TNM	Telekom Networks Malawi	21.43 ▲
NBM	National Bank of Malawi	9.17 ▲
SUNBIRD	Sunbird Tourism Limited	4.27 ▲
STANDARD	Standard Bank	0.91 ▲

C. Top Five Traded  
Stocks by volume

MSE	COUNTER NAME	SHARES	% of Total
TNM	Telekom Networks Malawi	4,882,801	48.06
NBM	National Bank of Malawi	2,678,050	26.36
NBS	NBS Bank	1,188,960	11.70
MPICO	MPICO Limited	550,000	5.41
NICO	NICO Holdings Limited	275,968	2.72

C. Top Five Traded  
Stocks by value

MSE CODE	COUNTER NAME	VALUE	% of Total
NBM	National Bank of Malawi	694,882,095.10	88.17
TNM	Telekom Networks Malawi	39,545,224.66	5.02
SUNBIRD	Sunbird Tourism Limited	15,691,407.00	1.99
STANDARD	Standard bank	9,529,643.20	1.21
NBS	NBS Bank	7,132,760.00	0.91

### 3. COMPANY TRADING PERFORMANCE

COUNTER	HIGH (MK)	LOW (MK)	Earnings Yield (%)	P/E	P/BV	MKT CAP (MK'Mln)	MKT CAP (US\$'Mln)
BHL	20.25	20.25	16.83	5.94	0.55	2,616.15	3.61
FMB	16.00	16.00	20.49	4.88	1.18	37,380.00	51.51
ILLOVO	215.01	215.01	3.59	27.84	3.27	153,397.68	211.39
MPICO	8.60	8.60	10.06	9.94	0.71	19,763.21	27.24
NBM	262.00	240.00	13.57	7.37	1.80	122,336.12	168.59
NBS	6.00	5.00	N/A	N/A	0.64	4,365.86	6.02
NICO	10.00	10.00	52.86	1.89	0.32	10,430.41	14.37
NITL	30.00	30.00	N/A	N/A	0.62	4,050.00	5.58
PCL	540.00	540.00	26.51	3.77	0.63	64,938.14	89.49
STANDARD	555.00	550.00	14.91	6.70	2.07	130,240.83	179.48
SUNBIRD	61.00	58.50	8.38	11.94	1.21	15,956.54	21.99
TNM	8.50	7.00	9.62	10.40	4.09	85,343.83	117.61
OML	1,837.00	1,837.00	10.40	9.61	0.99	8,476.36	11.68

### 3. COMPANY TRADING PERFORMANCE

Company	Opening Price(t)	Closing Price(t)	% Price Change	Share Vol. Traded	% Traded	Value Traded MK
BHL	2025	2025	0.00%	0	0.00%	-
FMB	1600	1600	0.00%	165,100	1.62%	2,641,600.00
ILLOVO	21501	21501	0.00%	24,820	0.24%	5,336,548.20
MPICO	860	860	0.00%	550,000	5.41%	4,730,000.00
NBM	24000	26200	9.17%	2,678,050	26.36%	694,882,095.10
NBS	600	600	0.00%	1,188,960	11.70%	7,132,760.00
NICO	1000	1000	0.00%	275,968	2.72%	2,759,680.00
NITL	3000	3000	0.00%	109,644	1.08%	3,289,320.00
PCL	54000	54000	0.00%	3,310	0.03%	1,787,400.00
STANDARD	55000	55500	0.91%	17,241	0.17%	9,529,643.20
SUNBIRD	5850	6100	4.27%	263,742	2.60%	15,691,407.00
TNM	700	850	21.43%	4,882,801	48.06%	39,545,224.66
OML PLC	183700	183700	0.00%	422	0.00%	775,214.00
				10,160,058	100.00%	788,100,892.16



#### 4. BOND TRADING SUMMARY

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

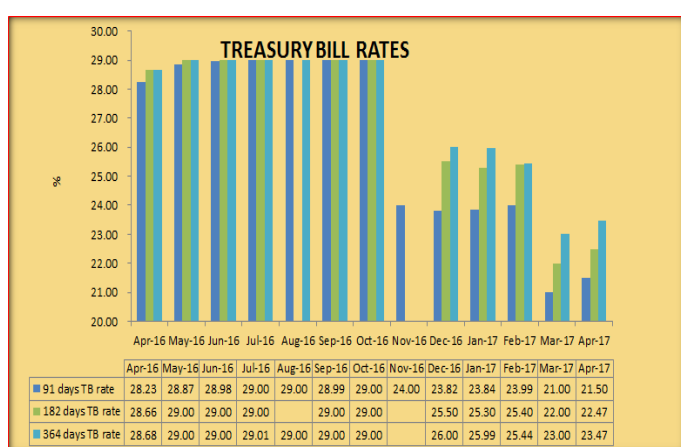
The next and final coupon payment for 2017 will be paid on 30th June, 2017.

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

## 5. ECONOMIC REVIEW

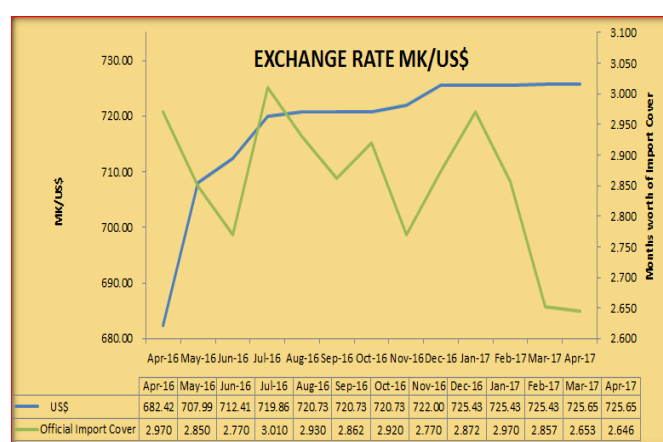
### Interest Rates

During the period under review, the yield on the 91 days T-bill, the 182 days T-bill and the 364 days T-bill increased by 0.4967 percentage points from 21.0000% to 21.4967%, by 0.4675 percentage points from 22.0000% to 22.4675% and 0.4685 percentage points from 23.0000% to 23.4685% respectively.



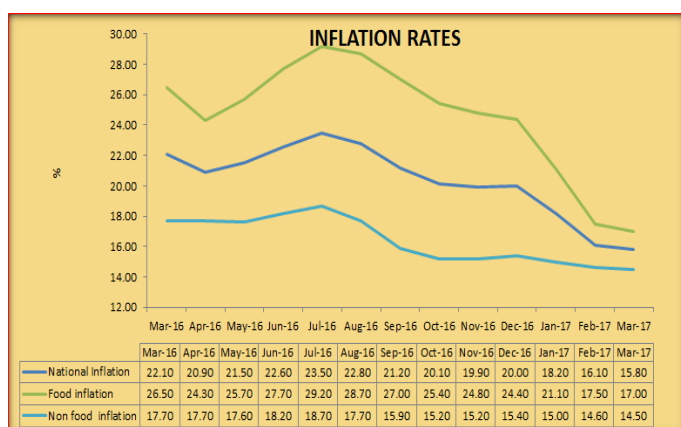
### Exchange Rates

The Kwacha was stable against the United States Dollar in the period under review. Gross official reserves decreased from 2.653 months worth of import cover in March 2017 to 2.646 months worth of import cover in April 2017.



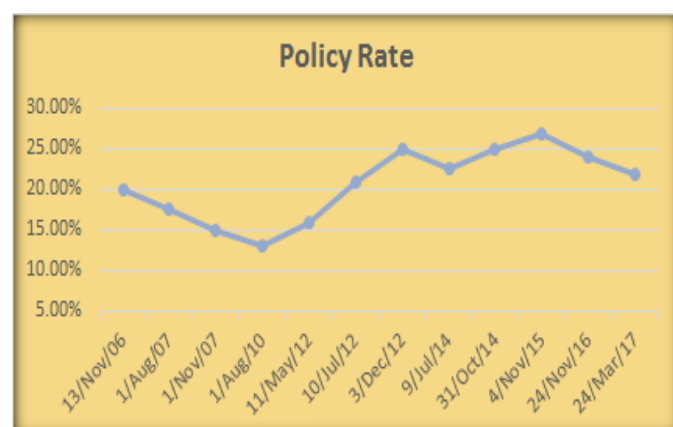
### Inflation Rates

Headline inflation eased by 0.3 percentage points from 16.1% in February, 2017 to 15.8% in March 2017.



### Monetary Policy Rate

The Monetary Policy Committee at its meeting held on 23 and 24 March, 2017 reduced the policy rate from 24% to 22%.



**CONTACTS AND ADDRESSES OF MSE STOCK BROKERS**

Stockbrokers Malawi Limited  
NBM Business Complex  
P.O Box 31180  
Blantyre  
Tel: +265 1 836 213  
Fax: +265 1 824 353  
Email: [sml@smlmw.com](mailto:sml@smlmw.com)

Continental Capital Limited  
1st Floor, Unit House  
P.O Box 1444  
Blantyre  
Tel: +265 1 830 638  
Email: [capital@continental.mw](mailto:capital@continental.mw)  
[capital@cdh-malawi.com](mailto:capital@cdh-malawi.com)

African Alliance Securities  
4th Floor, Livingstone Towers  
P.O Box 3340  
Blantyre  
Tel: +265 1 831 995  
Fax: +265 1 831 859  
Email: [kamphonia@africanalliance.com](mailto:kamphonia@africanalliance.com)