

# MONTHLY MARKET REPORT JULY 2018



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MALAWI STOCK EXCHANGE

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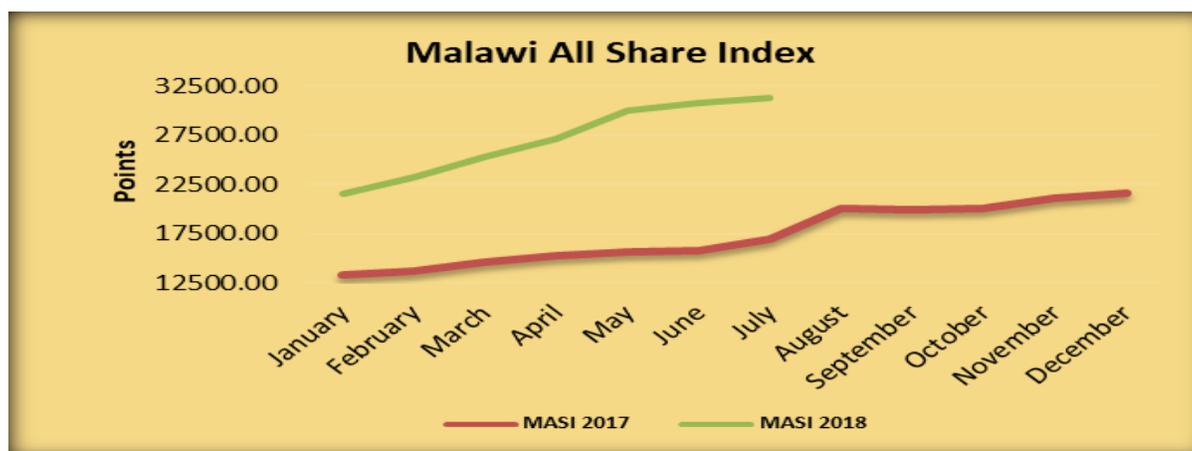
# 1. TRADING SUMMARY

The market was marginally bullish as it registered a positive return on index of 1.71% (1.71% in US\$ terms) in July 2018 and an increase in both total value and volume traded.

There were no trades on the listed debt securities.

## Index Levels and Return – July 2018

INDEX	JULY 2018	JUNE 2018	Monthly Δ 2018	Monthly Δ 2017	% Δ YTD. 2018
MASI	31263.14	30736.95	1.71 ▲	7.00 ▲	44.75 ▲
DSI	20513.69	20033.47	2.40 ▲	7.09 ▲	26.06 ▲
FSI	8237.32	8237.82	0.01 ▼	0.00 ■	134.05 ▲



	July 2018	June 2018	Monthly % Δ	July 2017	Y-O-Y %Δ
Traded Value (MK)	590,259,713.23	213,441,483.83	176.54 ▲	1,759,096,772.00	66.45 ▼
Traded Value (US\$)	813,416.67	294,129.07	176.55 ▲	2,424,150.95	66.45 ▼
Traded Vol. Shares	13,787,978	6,468,082	113.17 ▲	230,820,088	94.03 ▼
No. of Transactions	97	86	12.79 ▲	109	11.01 ▼
Index Close (MASI)	31263.14	30736.95	1.71 ▲	16877.16	85.24 ▲
Listed companies	13	13		13	
Traded Companies	08	12		13	
Not Traded Companies	05	01		00	
<b>Gainers</b>	<b>05</b>	<b>04</b>		<b>09</b>	
<b>Decliners</b>	<b>01</b>	<b>03</b>		<b>00</b>	
Unchanged	<b>02</b>	<b>05</b>		<b>04</b>	

## 2. MARKET PERFORMANCE

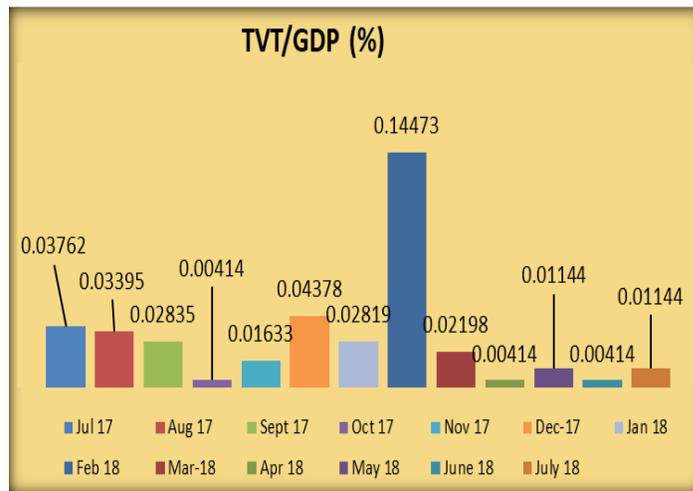
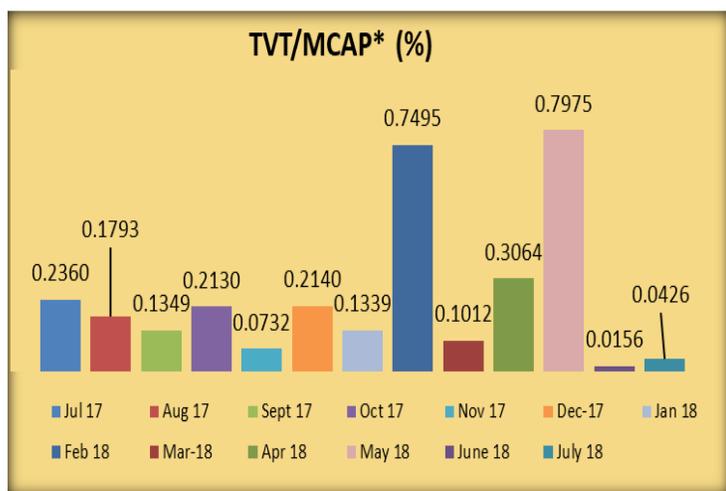
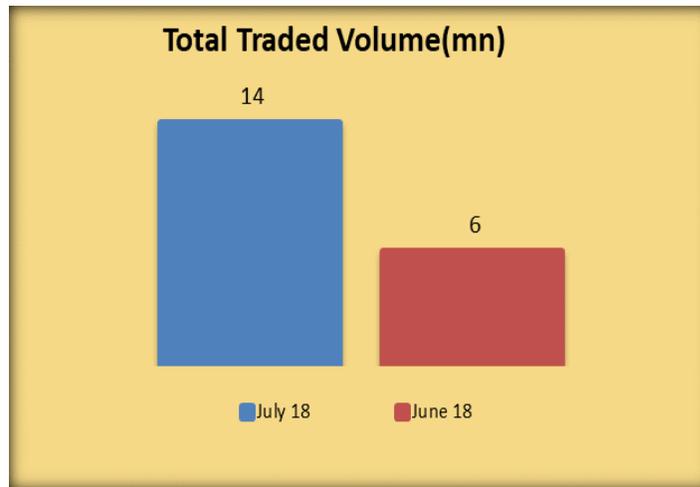
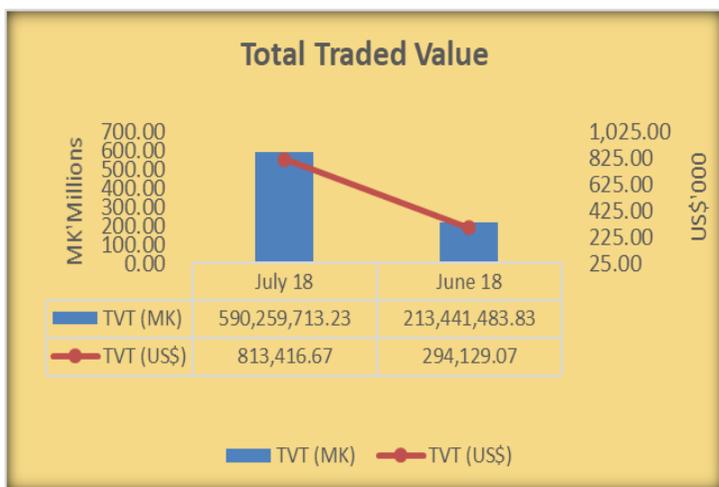


MALAWI STOCK EXCHANGE

- A. Trade Performance Analysis**
- The market transacted a total of 13,787,978 shares at a total consideration of MK590,259,713.23 (US\$813,416.67) in 97 trades. In the previous month, June 2018, the market transacted a total of 6,468,082 shares at a total consideration of MK213,441,483.83 (US\$294,129.07) in 86 trades. This reflects a **113.17%** increase in terms of share volume and a **176.54%** (**176.55%** in US Dollar terms) increase in share value. Of the total shares traded, 10,000,000 NICO shares were traded as a special bargain.
- Daily average share trades exhibited similar trends where the market registered an average daily volume of 656,570 shares compared to 308,004 shares traded in June 2018.
- The average daily turnover for July 2018 was MK28,107,605.39 (US\$38,734.13) compared to MK10,163,880.18 (US\$14,006.15) in June 2018, reflecting an increase of **176.54%** (**176.55%** 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 30736.95 points registered in June 2018 to 31263.14 points registered in July 2018, giving a return on index of **1.71%** (**1.71%** in US\$ terms). The price gains registered by MPICO, NBM, NICO, NITL and TNM were enough to offset a share price loss in FMBCH resulting into an upward movement of the Malawi All Share Index, arising from an increase in the Domestic Share Index (**2.40%**). The Foreign Share Index declined by **0.01%**.
- Market capitalization increased in both Kwacha and United States Dollar terms from MK1,370,739.23 million (US\$1,888.97 million) in June 2018 to MK1,385,750.21 million (US\$1,909.65 million) in July 2018.
- 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 2018 was recorded at 0.04%, higher than 0.02% registered in June 2018. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.01% in July 2018 while during the previous month, June 2018, liquidity was at 0.004%.



## 2. MARKET PERFORMANCE



### 3. COMPANY TRADING PERFORMANCE



MALAWI STOCK EXCHANGE

A. Top Five gainers:  
Eight counters  
registered capital  
gains

MSE CODE	ISIN	COUNTER NAME	% GAIN
NICO	MWNICO010014	NICO Holdings plc	17.39 ▲
TNM	MWTNM0010127	Telekom Networks Malawi plc	4.17 ▲
NBM	MWNBM0010071	National Bank of Malawi plc	3.33 ▲
NITL	MWNITL010091	National Investments Trust plc	2.74 ▲
MPICO	MWMPI0010118	MPICO plc	0.05 ▲

B. Top Five Losers:  
One counter  
registered a capital  
loss

MSE CODE	ISIN	COUNTER NAME	% LOSS
FMBCH	MWFMB0010137	FMB Capital Holdings plc	0.01 ▼

C. Volume Leaders

MSE CODE	ISIN	COUNTER NAME	SHARES	% of Total
NICO	MWNICO010014	NICO Holdings plc	10,059,568	72.96
TNM	MWTNM0010127	Telekom Networks Malawi plc	2,950,881	21.40
NBS	MWNBS0010101	NBS Bank plc	345,288	2.50
NITL	MWNITL010091	National Investments Trust plc	119,758	0.87
PCL	MWPCL0010051	Press Corporation plc	100,000	0.73

D. Value Leaders

MSE CODE	ISIN	COUNTER NAME	VALUE	% of Total
NICO	MWNICO010014	NICO Holdings plc	403,136,172.00	68.30
PCL	MWPCL0010051	Press Corporation plc	77,200,000.00	13.08
TNM	MWTNM0010127	Telekom Networks Malawi plc	73,838,478.85	12.51
FMBCH	MWFMB0010137	FMB Capital Holdings plc	14,845,012.30	2.51
NITL	MWNITL010091	National Investments Trust plc	8,981,850.00	1.52

### 3. COMPANY TRADING PERFORMANCE



MALAWI STOCK EXCHANGE

COUNTER	ISIN	HIGH (MK)	LOW (MK)	Earnings Yield (%)	P/E	P/BV	MKT CAP (MK'Mln)	MKT CAP (US\$'Mln)
BHL	MWBHL0010025	7.00	7.00	8.62	11.60	1.14	5,878.25	8.10
FMBCH	MWFMB0010137	175.00	159.99	6.75	14.81	3.60	373,776.64	515.09
ILLOVO	MWILLV010032	240.00	240.00	4.13	24.18	4.68	171,226.65	235.96
MPICO	MWMPI0010118	19.50	19.49	11.36	8.80	1.62	44,811.93	61.75
NBM	MWNBM0010071	310.00	300.00	13.23	7.56	1.79	144,748.84	199.47
NBS	MWNBS0010101	8.66	8.66	N/A	N/A	2.01	25,205.57	34.73
NICO	MWNICO0010014	54.00	46.00	19.75	5.06	2.50	56,324.22	77.62
NITL	MWNITL010091	75.00	73.00	21.94	4.56	1.18	10,125.00	13.95
PCL	MWPCL0010051	772.00	772.00	42.73	2.34	0.74	92,837.49	127.94
STANDARD	MWSTD0010040	670.00	670.00	7.74	12.93	2.18	157,227.67	216.67
SUNBIRD	MWSTL0010086	145.00	145.00	6.42	15.58	2.02	37,929.47	52.27
TNM	MWTNM0010127	26.00	24.00	5.22	19.15	8.62	251,011.25	345.91
OMU	ZAE000255360	2,513.25	2,513.25	9.65	10.36	1.54	14,647.23	20.18

### 3. COMPANY TRADING PERFORMANCE



MALAWI STOCK EXCHANGE

Company	Opening Price	Closing Price	% Price Change	Share Vol. Traded	% Traded	Value Traded MK
BHL	7.00	7.00	0.00%	0	0.00%	0.00
FMBCH	160.00	159.99	-0.01%	91,533	0.66%	14,845,012.30
ILLOVO	240.00	240.00	0.00%	0	0.00%	0.00
MPICO	19.49	19.50	0.05%	97,148	0.70%	1,894,386.00
NBM	300.00	310.00	3.33%	23,802	0.17%	7,373,620.00
NBS	8.66	8.66	0.00%	345,288	2.50%	2,990,194.08
NICO	46.00	54.00	17.39%	10,059,568	72.96%	403,136,172.00
NITL	73.00	75.00	2.74%	119,758	0.87%	8,981,850.00
PCL	772.00	772.00	0.00%	100,000	0.73%	77,200,000.00
STANDARD	670.00	670.00	0.00%	0	0.00%	0.00
SUNBIRD	145.00	145.00	0.00%	0	0.00%	0.00
TNM	24.00	25.00	4.17%	2,950,881	21.40%	73,838,478.85
OMU	2,513.25	2,513.25	0.00%	0	0.00%	0.00
				<b>13,787,978</b>	<b>100.00%</b>	<b>590,259,713.23</b>

## 4. BOND TRADING SUMMARY



MALAWI STOCK EXCHANGE

BOND	MATURITY DATE	COUPON FREQUENCY	COUPON RATE (%)	NOMINAL VALUE (MK' MN)
TN02YR31082019	31 August 2019	Bi-annual	11	20,000.00
TN02YR250120	25 January 2020	Bi-annual	10	5,000.00
TN03YR220221	22 February 2021	Bi-annual	11	3,000.00
NFBN21062021	21 June 2021	Quarterly	18.5	5.00
NFBN2162021	21 June 2021	Quarterly	18.5	1,000.00
NFBN28062021	28 June 2021	Quarterly	17	3,000.00
<b>Total Outstanding Treasury notes</b>				<b>32,005.00</b>

There were no trades on the three Treasury Notes and the New Finance Bank Medium Term Notes.

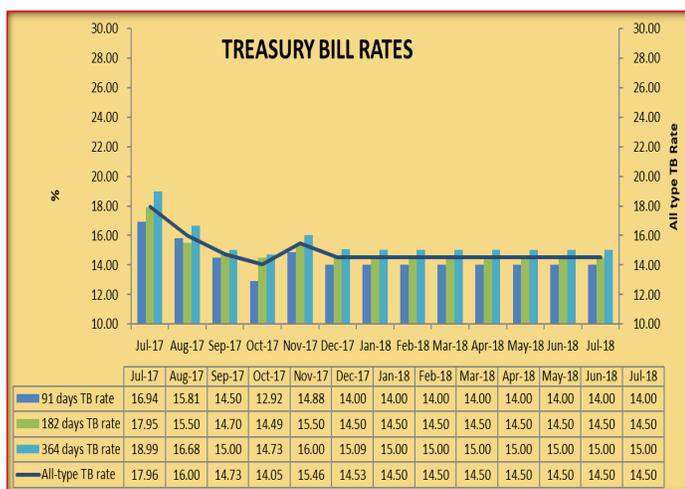
## 5. ECONOMIC REVIEW



MALAWI STOCK EXCHANGE

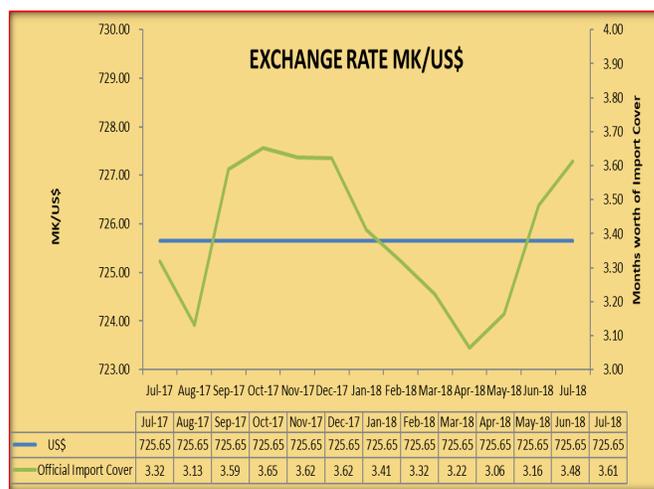
### Interest Rates

During the period under review, the yields on the 91 days T-bill, the 182 days T-bill and the 364 days T-bill were steady at 14.0000%, 14.5000% and 15.0000% respectively.



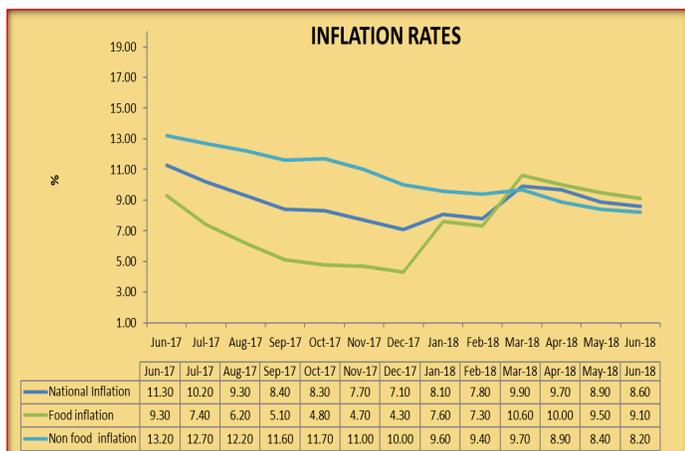
### Exchange Rates

The Kwacha was stable against the United States Dollar in the period under review. Gross official reserves improved from 3.48 months of import cover on 30 June 2018 to 3.61 months of import cover on 31 July 2018.



### Inflation Rates

Headline inflation eased by 0.3 percentage points from 8.9% in May, 2018 to 8.6% in June, 2018.



### Monetary Policy Rate

The Monetary Policy Committee at its meeting held on 03 and 04 July, 2018 decided to maintain the policy rate at 16%.





MALAWI STOCK EXCHANGE

We have gone

Digital



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7<sup>th</sup> June, 2018

MSE Malawi's global portal.

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**Expect**



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- > Shorter settlement period
- > More trading hours



Contact your Stockbroker to dematerialize your share certificates and start trading on the Automated Trading System.

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