

MONTHLY MARKET REPORT

OCTOBER 2018



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MALAWI STOCK EXCHANGE

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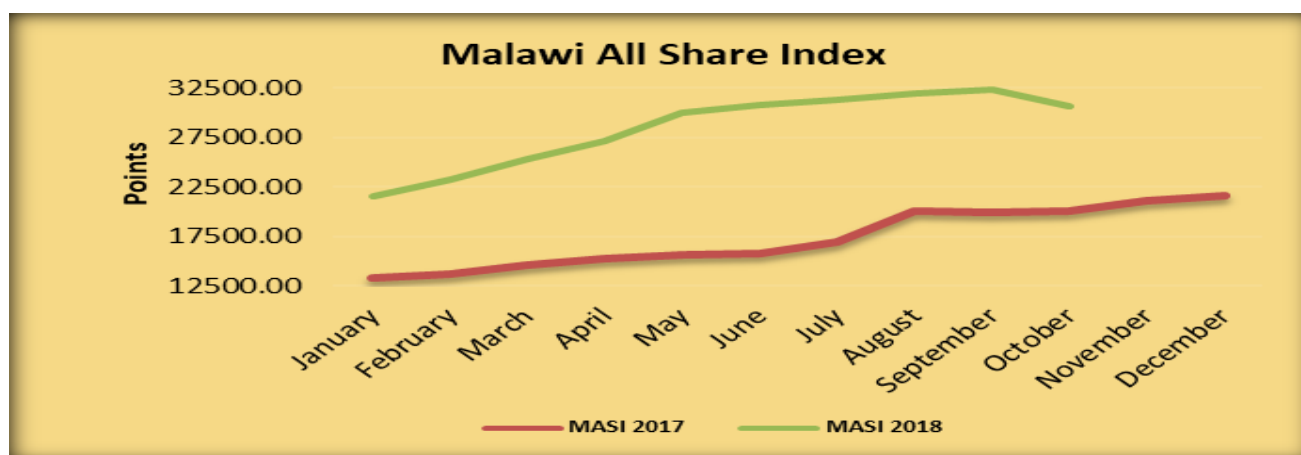
1. TRADING SUMMARY

The market was bearish as it registered a month-on-month return on index of **-5.41%** (**-5.61%** in US\$ terms) in October 2018 despite registering an increase in both total value and volume traded.

There were no trades on the listed debt securities.

Index Levels and Return – October 2018

INDEX	OCTOBER 2018	SEPTEMBER 2018	Monthly Δ 2018	Monthly Δ 2017	% Δ YTD. 2018
MASI	30622.36	32373.19	-5.41	0.65 ▲	41.78 ▲
DSI	20938.61	21621.84	-3.16	0.47 ▲	28.67 ▲
FSI	7196.88	8138.23	-11.57	2.02 ▲	104.49 ▲



	October 2018	September 2018	Monthly % Δ	October 2017	Y-O-Y % Δ
Traded Value (MK)	5,845,797,261.15	3,758,351,974.88	55.54 ▲	2,108,221,256.74	177.29 ▲
Traded Value (US\$)	8,081,622.66	5,178,921.67	54.83 ▲	2,905,267.43	176.00 ▲
Traded Vol. Shares	46,485,804	27,095,565	71.56 ▲	60,346,580	-22.97
No. of Transactions	281	238	18.07 ▲	117	140.17 ▲
Index Close (MASI)	30622.36	32373.19	-5.41	20049.06	52.74 ▲
Listed companies	13	13		14	
Traded Companies	13	13		12	
Not Traded Companies	00	00		02	
Gainers	04	06		03	
Decliners	05	01		00	
Unchanged	04	07		09	

2. MARKET PERFORMANCE

A. Trade Performance Analysis

The market transacted a total of 46,485,804 shares at a total consideration of MK5,845,797,261.15 (US\$8,081,622.66) in 281 trades. In the previous month, September 2018, the market transacted a total of 27,095,565 shares at a total consideration of MK3,758,351,974.88 (US\$5,178,921.67) in 238 trades. This reflects a **71.56%** increase in terms of share volume and a **55.54%** (**54.83%** in US Dollar terms) increase in share value. Of the total shares traded, 15,393,939 ILLOVO and 14,100,000 FMBCH shares were traded as special bargains.

Daily average share trades exhibited similar trends where the market registered an average daily volume of 2,213,610 shares compared to 1,290,265 shares traded in September 2018.

The average daily turnover for October 2018 was MK278,371,298.15 (US\$381,839.17) compared to MK178,969,141.66 (US\$246,615.32) in September 2018, reflecting an increase of **55.54%** (**54.83%** in US Dollar terms).

B. Market Capitalization and Index

The market registered a negative return on index as reflected in the downward movement of the Malawi All Share Index (MASI) from 32373.19 points registered in September 2018 to 30622.36 points registered in October 2018, giving a return on index of **-5.41%** (**-5.61%** in US\$ terms). The price losses registered by TNM(-15.48%), ILLOVO(-14.65%), FMBCH(-12.03%), NICO(-1.94%) and NITL(-0.01%) were enough to offset share price gains in PCL(23.53%), NBS(11.84%), BHL(11.23%) and NBM(6.75%) resulting into a downward movement of the Malawi All Share Index. The Domestic Share Index and the Foreign Share Index fell by 3.16% and 11.57% respectively.

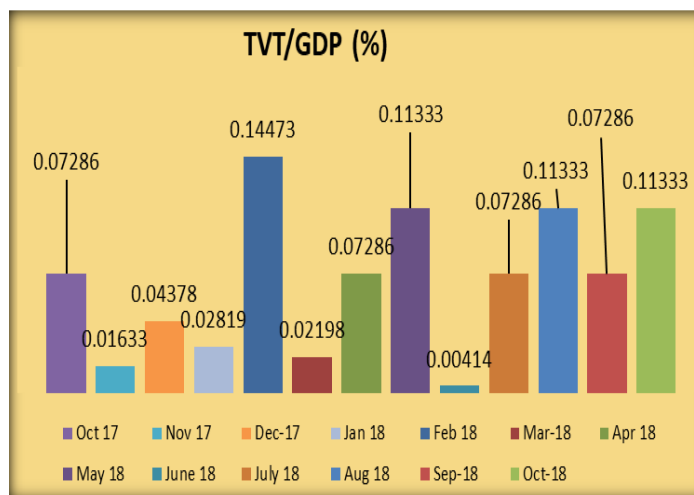
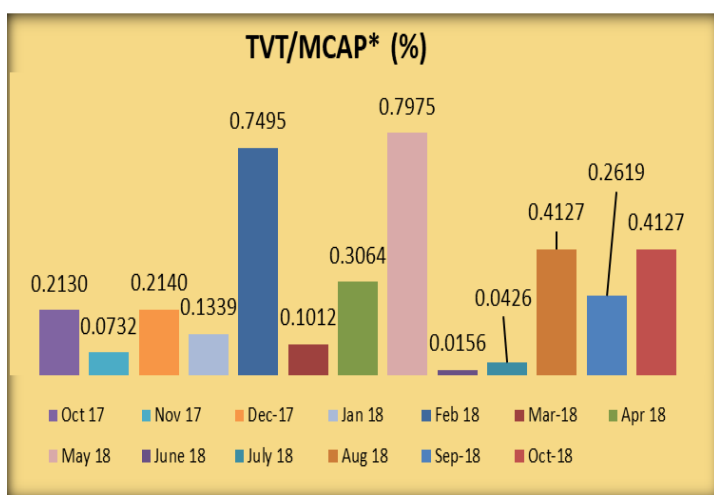
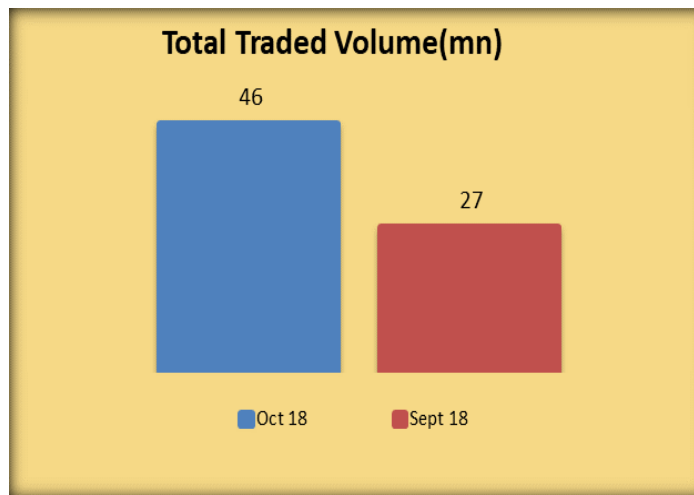
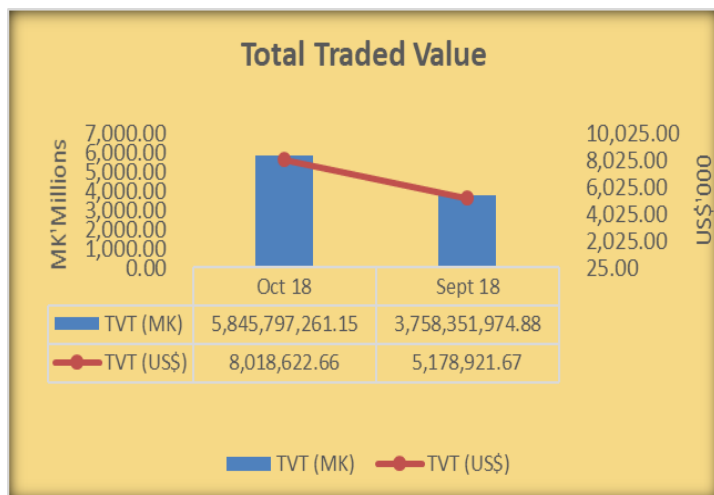
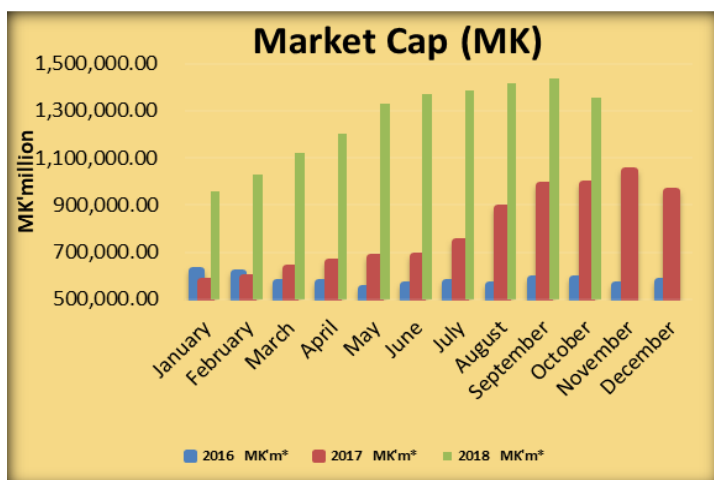
Market capitalization decreased in both Malawi Kwacha and United States Dollar terms from MK1,434,953.37 million (US\$1,970.40 million) in September 2018 to MK1,357,347.23 million (US\$1,859.77 million) in October 2018.

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 October 2018 was recorded at 0.41%, higher than 0.26% registered in September 2018. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.11% in October 2018 while during the previous month, September 2018, liquidity was at 0.07%.



2. MARKET PERFORMANCE



3. COMPANY TRADING PERFORMANCE

A. Top gainers: Four counters registered capital gains

MSE CODE	ISIN	COUNTER NAME	% GAIN
PCL	MWPCL0010053	Press Corporation plc	23.53 ▲
NBS	MWNBS0010105	NBS Bank plc	11.84 ▲
BHL	MWBHL0010029	Blantyre Hotels plc	11.23 ▲
NBM	MWNB0010074	National Bank of Malawi plc	6.75 ▲

B. Top Losers: Five counters registered a capital loss

MSE CODE	ISIN	COUNTER NAME	% LOSS
TNM	MWTNM0010127	Telekom Networks Malawi plc	-15.48
ILLOVO	MWILLV010032	Illovo Sugar Malawi plc	-14.65
FMBCH	MWFMB00101137	FMB Capital Holdings plc	-12.03
NICO	MWNICO010014	NICO Holdings plc	-1.94
NITL	MWNITL010091	National Investment Trust plc	-0.01

C. Volume Leaders

MSE CODE	ISIN	COUNTER NAME	SHARES	% of Total
ILLOVO	MWILLV010032	Illovo Sugar Malawi plc	16,612,000	35.74
FMBCH	MWFMB00101137	FMB Capital Holdings plc	14,254,588	30.66
NBS	MWNBS0010105	NBS Bank plc	5,054,178	10.87
TNM	MWTNM0010127	Telekom Networks Malawi plc	4,124,831	8.87
NICO	MWNICO010014	NICO Holdings plc	3,559,139	7.66

D. Value Leaders

MSE CODE	ISIN	COUNTER NAME	VALUE	% of Total
ILLOVO	MWILLV010032	Illovo Sugar Malawi plc	2,765,369,632.36	47.31
FMBCH	MWFMB00101137	FMB Capital Holdings plc	1,998,196,502.69	34.18
PCL	MWPCL0010053	Press Corporation plc	334,758,195.00	5.73
NICO	MWNICO010014	NICO Holdings plc	181,498,693.00	3.10
NBM	MWNB0010074	National Bank of Malawi plc	151,289,359.00	2.59

3. COMPANY TRADING PERFORMANCE



SYMBOL SUMMARY

Exchange: MSE
From Date: 1/10/2018

Market: MAINBOARD
To Date: 31/10/2018

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Print Date: 1/11/2018
Print Time: 11:15:02 am

Symbol	Open	High	Low	Close	Volume	Value	Trades Count	Market Capitalization
BHL	11.31	12.58	11.31	12.58	721,757	8,526,952.60	22	10,564,063,869
FMBCH	157.99	157.99	138.99	138.99	14,254,588	1,998,196,502.69	11	324,715,387,500
ILLOVO	240.00	240.00	175.00	204.84	16,612,000	2,765,369,632.36	16	146,141,949,052
MPICO	19.50	19.50	19.45	19.50	702,786	13,701,924.00	13	44,811,925,470
NBM	311.01	332.00	315.00	332.00	460,774	151,289,359.00	22	155,021,337,016
NBS	8.95	10.01	8.95	10.01	5,054,178	45,841,545.36	39	29,134,839,294
NICO	52.00	52.00	50.98	50.99	3,559,139	181,498,698.00	20	53,184,665,485
NITL	86.00	86.01	85.99	85.99	382,564	32,901,479.09	11	11,608,650,000
OMU	2,513.25	2,513.25	2,513.25	2,513.25	21,813	54,821,526.00	4	14,647,228,540
PCL	850.00	1,100.00	850.00	1,050.00	343,631	334,758,195.00	14	126,268,611,000
STANDARD	670.00	670.01	670.00	670.00	214,598	143,782,703.81	14	157,227,668,540
SUNBIRD	145.00	145.00	144.99	145.00	33,145	4,805,932.00	9	37,929,474,100
TNM	29.00	29.00	24.50	24.51	4,124,831	110,302,815.95	86	246,091,429,500

4. BOND TRADING SUMMARY

BOND	MATURITY DATE	COUPON FREQUENCY	COUPON RATE (%)	NOMINAL VALUE (MK' M N)
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	50.00
NFBN2162021	21 June 2021	Quarterly	18.5	1,000.00
NFBN28062021	28 June 2021	Quarterly	17	3,000.00
Total Outstanding Debt Securities				32,050.00

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

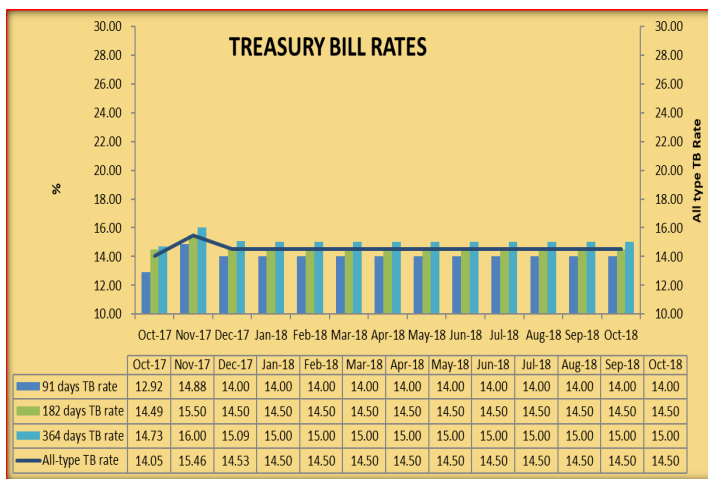
5. ECONOMIC REVIEW



MALAWI STOCK EXCHANGE

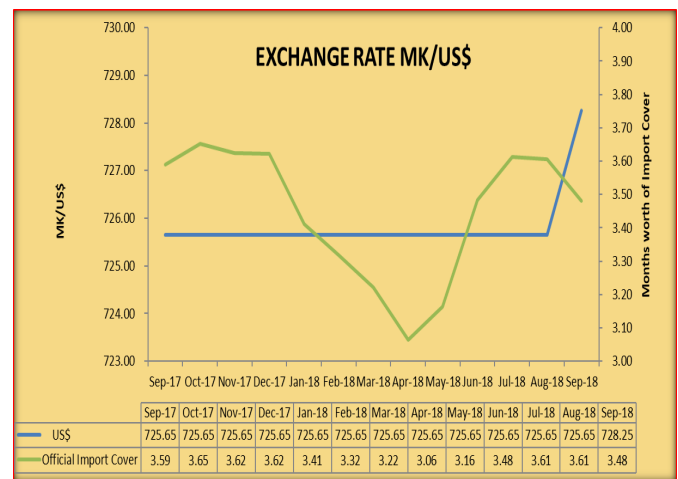
Interest Rates

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.



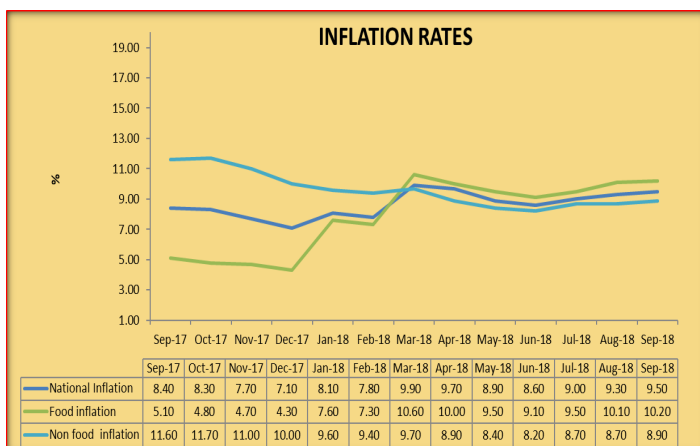
Exchange Rates

The Kwacha marginally depreciated by 0.22% against the United States Dollar in the period under review. Gross official reserves were at 3.48 months worth of import cover on 30 September 2018.



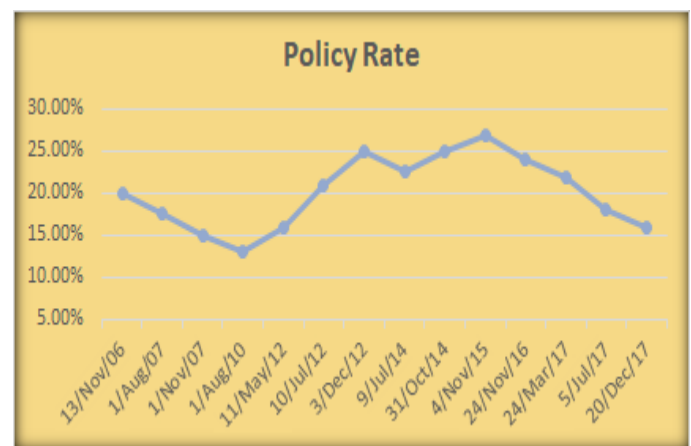
Inflation Rates

Headline inflation inched upwards by 0.2 percentage points from 9.3% in August, 2018 to 9.5% in September, 2018.



Monetary Policy Rate

The Monetary Policy Committee at its meeting held on 25 and 26 September, 2018 maintained the policy rate at 16%.





MALAWI STOCK EXCHANGE

We have gone

Digital



Online from
7th June, 2018

MSE Malawi's global portal.

What you should
Expect



- > Only dematerialized shares will be traded on the MSE
- > Safe from theft, damage, forgery and loss
- > No limit on the number of shares that can be traded on the MSE
- > Quicker transaction processes due to reduced paperwork
- > 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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