

MONTHLY MARKET REPORT AUGUST 2019



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MALAWI STOCK EXCHANGE

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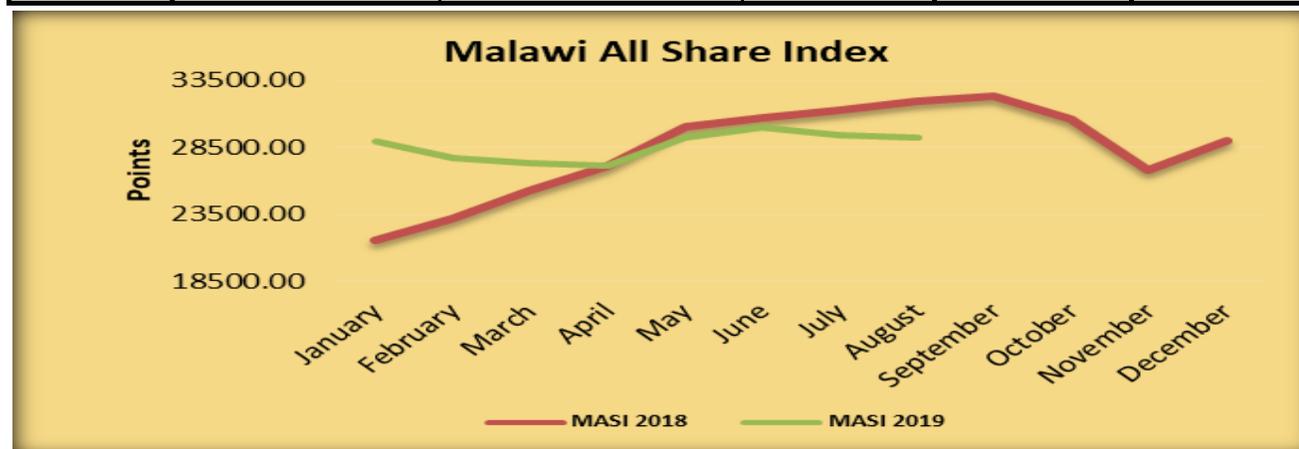
1. TRADING SUMMARY

The market registered an increase in total volume of shares traded despite registering a decrease in total value traded and a negative month-on-month return on index of **0.73%** (0.76% in US\$ terms) in August 2019, **0.74%** YTD.

There were no trades on the listed debt securities however one Treasury Note with a nominal value of MK20 billion matured on 31st August 2019.

Index Levels and Return – August 2019

INDEX	AUGUST 2019	JULY 2019	% Monthly Δ 2019	% Monthly Δ 2018	% Δ YTD. 2019
MASI	29197.17	29413.02	-0.73	2.22 ▲	0.74 ▲
DSI	22420.52	22387.89	0.15 ▲	3.08 ▲	5.17 ▲
FSI	4272.58	4520.31	-5.48	0.00 ■	-18.85



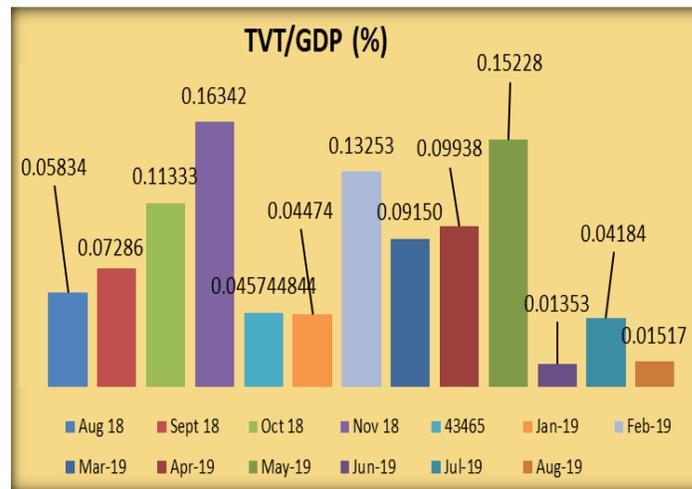
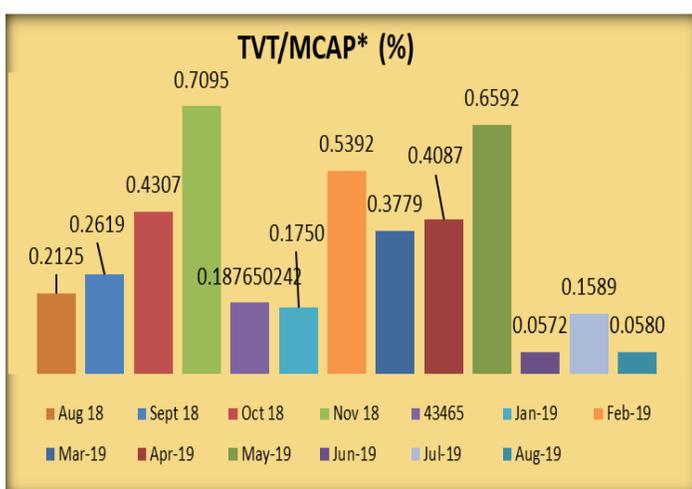
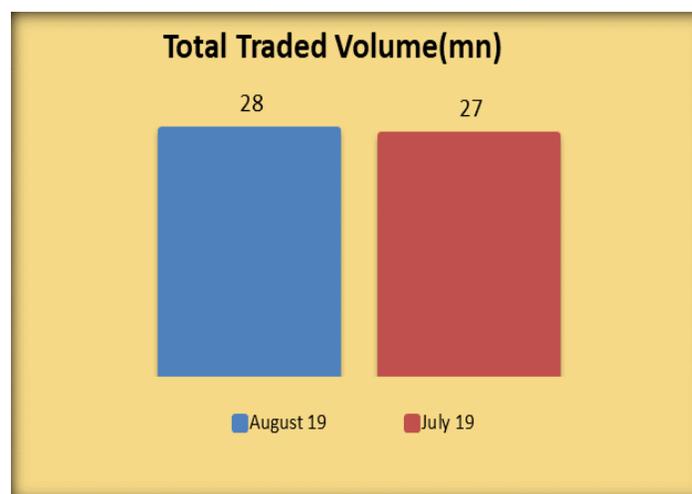
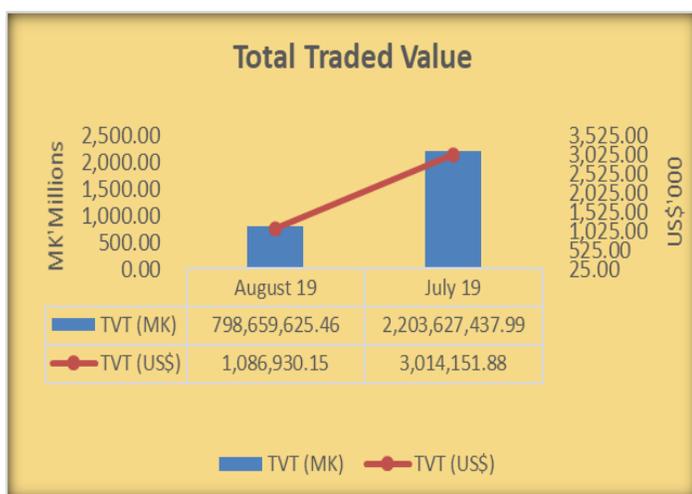
	August 2019	July 2019	Monthly % Δ	August 2018	Y-O-Y %Δ
Traded Value (MK)	798,659,625.46	2,203,627,437.99	-63.76	3,009,473,246.19	-73.46
Traded Value (US\$)	1,086,930.15	3,014,151.88	-63.94	4,147,251.90	-73.79
Traded Vol. Shares	27,644,237	27,022,913	2.30 ▲	43,722,958	-36.77
No. of Transactions	271	204	32.84 ▲	173	56.65 ▲
Index Close (MASI)	29197.17	29413.02	-0.73	31956.43	-8.63
Listed Debt Securities	14	14		06	
Traded Debt Securities	00	00		00	
Listed companies	14	14		13	
Traded Companies	14	13		12	
Not Traded Companies	00	01		01	
Gainers	03	01		03	
Decliners	02	01		01	
Unchanged	09	11		08	

2. MARKET PERFORMANCE

- A. Trade Performance Analysis**
- The market transacted a total of 27,644,237 shares at a total consideration of MK798,659,625.46 (US\$1,086,930.15) in 271 trades. In the previous month, July 2019, the market transacted a total of 27,022,913 shares at a total consideration of MK2,203,627,437.99 (US\$3,014,151.88) in 204 trades. This reflects a 2.30% increase in terms of share volume traded and a 63.76% (63.94% in US Dollar terms) decrease in share value traded.
- Daily average share trades exhibited similar trends where the market registered an average daily volume of 1,316,392 shares compared to 1,286,805 shares traded in July 2019.
- The average daily turnover for August 2019 was MK38,031,410.74 (US\$51,758.58) compared to MK104,934,639.90 (US\$143,531.04) in July 2019, reflecting a decrease of 63.76% (63.94% 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 29413.02 points registered in July 2019 to 29197.17 points registered in August 2019, giving a month-on-month return on index of -0.73% (0.76% in US\$ terms). The price gains registered by NBM(0.01%), NBS(24.31%) and STANDARD(0.002%) were not enough to offset share price losses in FMBCH(5.88%) and TNM(1.77%) resulting into a downward movement of the Malawi All Share Index. The Domestic and Foreign Share Indices closed at 22420.52 and 4272.58 points respectively.
- Market capitalization decreased in Malawi Kwacha terms from MK1,387,035.06 million in July 2019 to MK1,378,000.20 million in August 2019. It however increased in United States Dollar terms from US\$1,869.72 million to US\$1,885.42 million as a result of the appreciation of the Malawi Kwacha.
- 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 August 2019 was recorded at 0.06%, lower than 0.16% registered in July 2019. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.02% in August 2019 while during the previous month, July 2019, liquidity was at 0.04%. Market capitalization as a percentage of GDP was at 26.17% in August 2019 and 26.34% in July 2019.



2. MARKET PERFORMANCE



3. COMPANY TRADING PERFORMANCE

A. Top gainers: Three counters registered capital gains

MSE CODE	ISIN	COUNTER NAME	% GAIN
NBS	MWNBS0010101	NBS Bank plc	24.31 ▲
NBM	MWNBM0010074	National Bank of Malawi plc	0.01 ▲
STANDARD	MWSTD0010041	Standard Bank Malawi plc	0.002 ▲

B. Top Losers: Two counters registered capital losses

MSE CODE	ISIN	COUNTER NAME	% LOSS
FMBCH	MWFMB0010138	FMB Capital Holdings plc	-5.88
TNM	MWTNM0010126	Telekom Networks Malawi plc	-1.77

C. Volume Leaders

MSE CODE	ISIN	COUNTER NAME	SHARES	% of Total
NBS	MWNBS0010101	NBS Bank plc	16,905,026	61.15
ICON	MWICON001146	ICON Properties plc	4,420,231	15.99
TNM	MWTNM0010126	Telekom Networks Malawi plc	3,918,151	14.17
MPICO	MWMPI0010116	MPICO plc	1,178,135	4.26
NICO	MWNICO	NICO Holdings plc	625,945	2.26

D. Value Leaders

MSE CODE	ISIN	COUNTER NAME	VALUE	% of Total
PCL	MWPCL0010053	Press Corporation plc	330,694,800.00	41.41
NBS	MWNBS0010101	NBS Bank plc	174,913,401.30	21.90
TNM	MWTNM0010126	Telekom Networks Malawi plc	101,890,897.25	12.76
ICON	MWICON001146	ICON Properties plc	44,202,010.00	5.53
OMU	ZAE000255360	Old Mutual Limited	36,395,000.00	4.56

3. COMPANY TRADING PERFORMANCE



MALAWI STOCK EXCHANGE

Symbol	Open	High	Low	Close	Price Δ	Volume	Value	Trades Count	Market Capitalization
BHL	12.95	12.95	12.95	12.95	0.00%	3,770	48,821.50	1	10,874,771,629.75
FMBCH	85.00	85.00	80.00	80.00	-5.88%	18,985	1,586,699.00	3	196,660,000,000.00
ICON	10.00	10.00	9.99	10.00	0.00%	4,420,231	44,202,010.00	27	66,800,000,000.00
ILLOVO	210.00	210.00	209.99	210.00	0.00%	17,359	3,645,330.00	3	149,823,322,110.00
MPICO	19.50	19.50	19.50	19.50	0.00%	1,178,135	22,973,632.00	23	44,811,925,470.00
NBM	370.01	370.05	370.01	370.05	0.01%	52,170	19,304,187.68	20	172,788,089,646.90
NBS	9.01	11.20	9.01	11.20	24.31%	16,905,026	174,913,401.30	59	32,598,421,587.20
NICO	48.50	48.50	48.49	48.50	0.00%	625,945	30,357,608.50	18	50,587,493,156.00
NITL	75.01	75.01	75.00	75.01	0.00%	129,000	9,676,180.00	9	10,126,350,000.00
OMU	2,500.00	2,500.00	2,500.00	2,500.00	0.00%	14,558	36,395,000.00	3	29,477,887,500.00
PCL	1,400.00	1,400.00	1,400.00	1,400.00	0.00%	264,782	330,694,800.00	8	168,358,148,000.00
STANDARD	630.00	630.01	630.00	630.01	0.00%	19,727	12,428,134.23	5	147,843,288,741.62
SUNBIRD	138.00	138.00	138.00	138.00	0.00%	76,398	10,542,924.00	8	36,098,396,040.00
TNM	26.48	27.00	26.00	26.01	-1.77%	3,918,151	101,890,897.25	84	261,152,104,500.00
Total						27,644,237	798,659,625.46	271	1,378,000,198,381.47

4. BOND TRADING SUMMARY



MALAWI STOCK EXCHANGE

Symbol	Open	High	Low	Close	Volume	Value	Trades Count	Market Capitalization
NFBN01210621	100.0000	100.0000	100.0000	100.0000	0	0.0000	0	100,000,000,000.00
NFBN02280621	100.0000	100.0000	100.0000	100.0000	0	0.0000	0	300,000,000,000.00
NFBN03020721	100.0000	100.0000	100.0000	100.0000	0	0.0000	0	5,000,000,000.00
NFBN04230522	100.0000	100.0000	100.0000	100.0000	0	0.0000	0	600,000,000,000.00
NFBN05310321	100.0000	100.0000	100.0000	100.0000	0	0.0000	0	235,076,757,600.00
TN02YR040920	100.0000	100.0000	100.0000	100.0000	0	0.0000	0	6,465,968,000,000.00
TN02YR250120	100.0000	100.0000	100.0000	100.0000	0	0.0000	0	500,000,000,000.00
TN02YR310121	100.0000	100.0000	100.0000	100.0000	0	0.0000	0	2,379,125,300,000.00
TN02YR310819	100.0000	100.0000	100.0000	100.0000	0	0.0000	0	2,000,000,000,000.00
TN03YR111021	100.0000	100.0000	100.0000	100.0000	0	0.0000	0	1,377,600,000,000.00
TN03YR220221	100.0000	100.0000	100.0000	100.0000	0	0.0000	0	300,000,000,000.00
TN03YR270821	100.0000	100.0000	100.0000	100.0000	0	0.0000	0	2,257,000,800,000.00
TN05YR221123	100.0000	100.0000	100.0000	100.0000	0	0.0000	0	3,910,500,000,000.00
TN07YR271225	100.0000	100.0000	100.0000	100.0000	0	0.0000	0	4,808,704,100,000.00
TOTAL					0	0.0000	0	25,238,974,957,600.00

There were no trades on the nine Treasury Notes and the five Mybucks Banking Corporation (formerly New Finance Bank) Medium Term Notes.

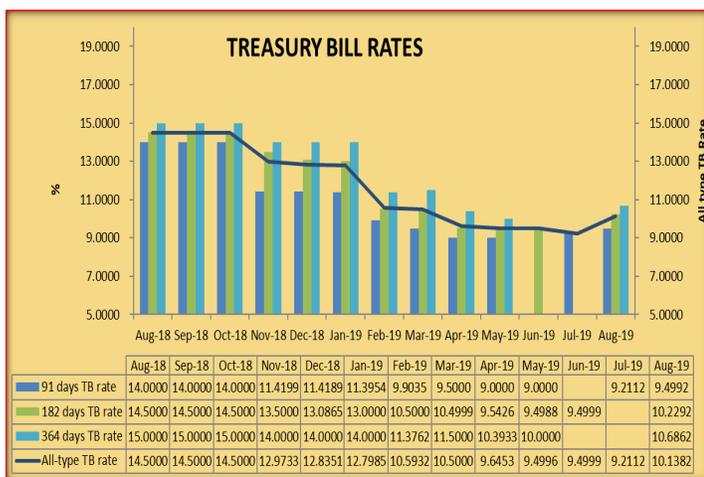
5. ECONOMIC REVIEW



MALAWI STOCK EXCHANGE

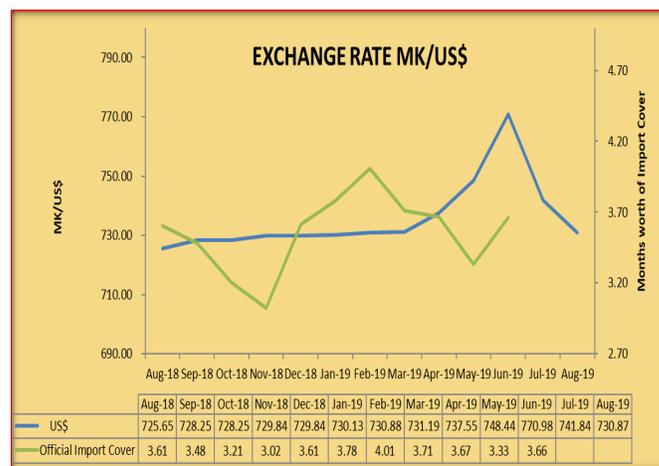
Interest Rates

During the period under review, the yields on the 91 days T-bill, 182 days T-bill and the 364 days T-bill were at 9.4992%, 10.2292% and 10.6862% respectively whilst in July 2019 the 91 T-bill was at 9.2112% with no allotments for the 182 and 364 days T-bills.



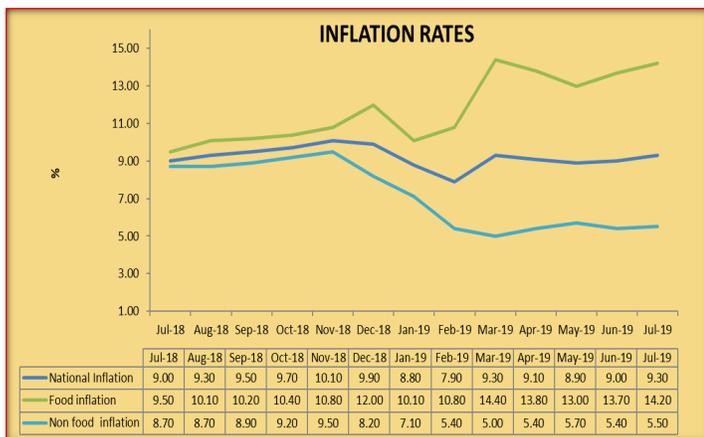
Exchange Rates

The Kwacha appreciated against the United States Dollar by 1.50% in the period under review. Gross official reserves were at 3.66 months worth of import cover on 30 June 2019.



Inflation Rates

Headline inflation inched upwards by 0.3 percentage points from 9.0% in June, 2019 to 9.3% in July, 2019.



Monetary Policy Rate

The Monetary Policy Committee at its meeting held on 2 and 3 May 2019 reduced the policy rate from 14.5% to 13.5%.



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