

MONTHLY MARKET REPORT

MAY 2020



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MALAWI STOCK EXCHANGE

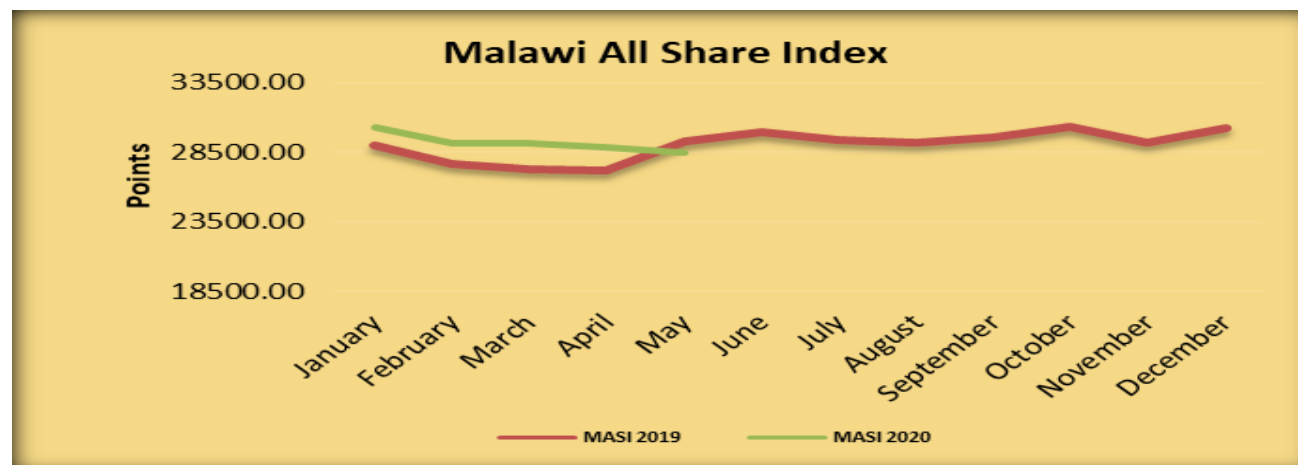
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1. TRADING SUMMARY

The market was marginally bearish in the month of May as it registered a month-on-month negative return on index of **-1.23%** (-1.23% in US\$ terms), **-2.54%** on a year-on-year basis. The market however, registered an increase in both total value traded and total volume of shares traded in the month under review. There were no trades on the listed debt securities.

Index Levels and Return – May 2020

INDEX	MAY 2020	APRIL 2020	% Monthly Δ 2020	% Monthly Δ 2019	% Δ YTD. 2020
MASI	28501.97	28857.39	-1.23	7.77 ▲	-5.79
DSI	23780.75	24097.69	-1.32	9.35 ▲	0.77 ▲
FSI	1993.51	1993.51	0.00 ■	-0.0002	-50.47



	May 2020	April 2020	Monthly % Δ	May 2019	Y-O-Y %Δ
Traded Value (MK)	2,990,942,804.95	2,384,558,649.69	25.43 ▲	9,091,064,161.08	-67.10
Traded Value (US\$)	4,059,801.84	3,236,738.94	25.43 ▲	12,219,536.37	-66.78
Traded Vol. Shares	100,211,589	14,400,820	595.87 ▲	139,056,337	-27.93
No. of Transactions	273	177	54.24 ▲	381	-28.35
Index Close (MASI)	28501.97	28857.39	1.23	29246.08	-2.54
Listed Debt Securities	13	13		12	
Traded Debt Securities	00	00		00	
Listed companies	15	15		14	
Traded Companies	13	14		14	
Not Traded Companies	02	01		00	
Gainers	02	02		06	
Decliners	03	07		02	
Unchanged	08	05		06	

2. MARKET PERFORMANCE

A. Trade Performance Analysis

The market transacted a total of 100,211,589 shares at a total consideration of MK2,990,942,804.95 (US\$4,059,801.84) in 273 trades. In the previous month, April 2020, the market transacted a total of 14,400,820 shares at a total consideration of MK2,384,558,649.69 (US\$3,236,738.94) in 177 trades. This reflects a **595.87%** increase in terms of share volume traded and a **25.43%** (25.43% in US Dollar terms) increase in share value traded. Of the total volume of shares traded, 18,671,499 NICO shares were traded as negotiated deals.

Daily average share trades exhibited similar trends where the market registered an average daily volume of 5,274,294 shares compared to 685,753 shares traded in April 2020, reflecting an increase of **669.12%**.

The average daily turnover for May 2020 was MK157,418,042.37 (US\$213,673.78) compared to MK113,550,411.89 (US\$154,130.43) in April 2020, reflecting an increase of **38.63%** (38.63% 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 28857.39 points registered in April 2020 to 28501.97 points registered in May 2020, giving a month-on-month return on index of **-1.23%** (-1.23% in US\$ terms). The price gains registered by NBS(25.00%) and STANDARD(1.11%) were not enough to offset share price losses registered by TNM(11.96%), ICON(0.48%) and NICO(0.02%) resulting into a downward movement of the Malawi All Share Index. The Domestic and Foreign Share Indices closed at 23780.75 and 1993.51 points respectively.

Market capitalization decreased in both Malawi Kwacha and United States Dollar terms from MK1,501,515.90 million (US\$2,038.15 million) in April 2020 to MK1,483,373.69 million (US\$2,013.52 million) in May 2020.

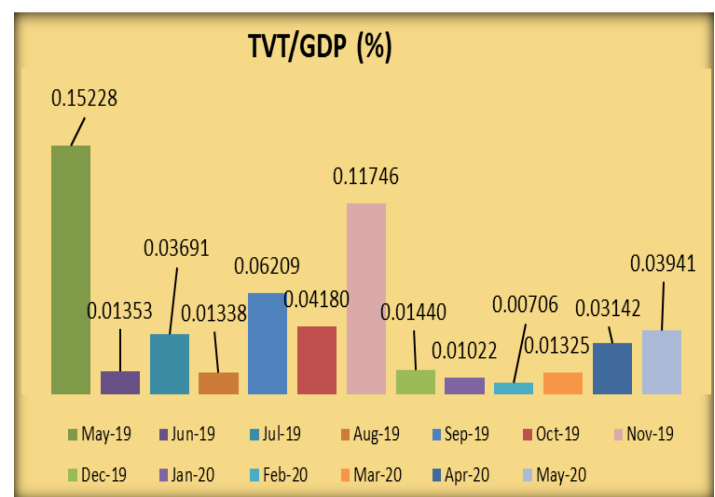
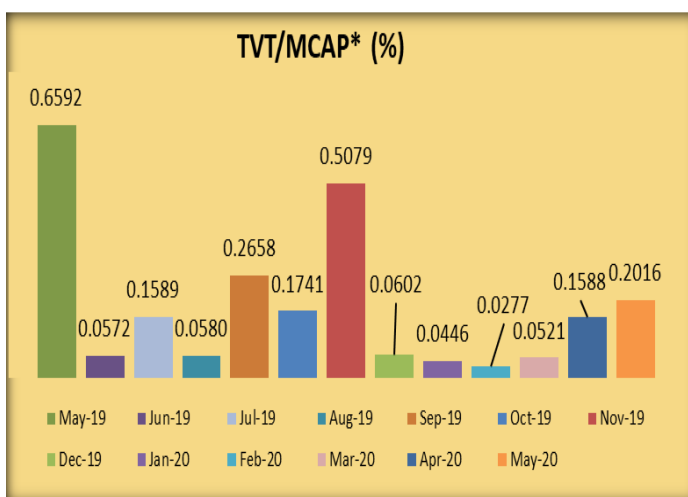
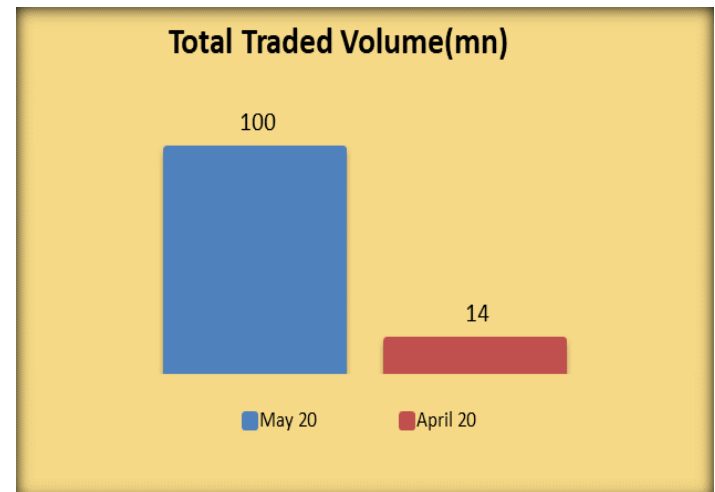
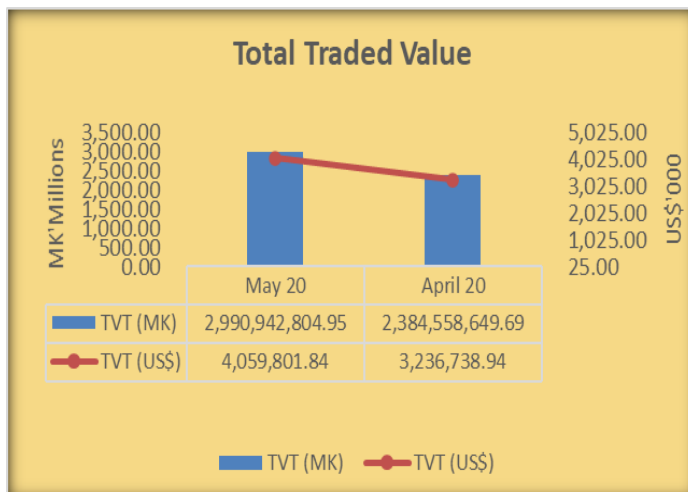
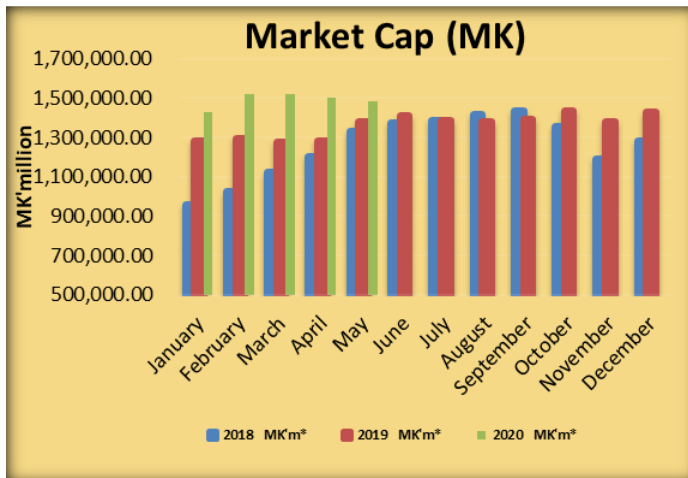
C. Market Liquidity

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 May 2020 was recorded at 0.20%, higher than 0.16% registered in April 2020. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.04% in May 2020 while during the previous month, April 2020, liquidity was at 0.03%.

Market capitalization as a percentage of GDP was at 19.54% in May 2020 and 19.78% in April 2020.



2. MARKET PERFORMANCE



3. COMPANY TRADING PERFORMANCE

A. Top gainers: Two counters registered capital gains

MSE CODE	ISIN	COUNTER NAME	% GAIN
NBS	MWNBS0010101	NBS Bank plc	25.00 ▲
STANDARD	MWSTD0010041	Standard Bank Malawi plc	1.11 ▲

B. Top Losers: Three counters registered capital losses

MSE CODE	ISIN	COUNTER NAME	% LOSS
TNM	MWTNM0010126	Telekom Networks Malawi plc	-11.96
ICON	MWICON001146	ICON Properties plc	-0.48
NICO	MWNICO0010014	NICO Holdings plc	-0.02

C. Top 5 Volume Leaders

MSE CODE	ISIN	COUNTER NAME	SHARES	% of Total
TNM	MWTNM0010126	Telekom Networks Malawi plc	52,028,762	51.92
NICO	MWNICO0010014	NICO Holdings plc	23,045,207	23.00
AIRTEL	MWAIRT001156	Airtel Malawi plc	17,075,272	17.04
NBS	MWNBS0010101	NBS Bank plc	6,932,253	6.92
NBM	MWNB0010074	National Bank of Malawi plc	693,636	0.69

D. Top 5 Value Leaders

MSE CODE	ISIN	COUNTER NAME	VALUE	% of Total
TNM	MWTNM0010126	Telekom Networks Malawi plc	1,144,632,738.00	38.27
NICO	MWNICO0010014	NICO Holdings plc	970,156,820.20	32.44
NBM	MWNB0010074	National Bank of Malawi plc	382,400,065.00	12.79
AIRTEL	MWAIRT001156	Airtel Malawi plc	298,817,220.50	9.99
NBS	MWNBS0010101	NBS Bank plc	116,150,242.85	3.88

3. COMPANY TRADING PERFORMANCE



MALAWI STOCK EXCHANGE

Symbol	Open	High	Low	Close	Price Δ	Volume	Value	Trades Count	Market Capitalization
AIRTEL	17.50	17.50	17.50	17.50	0.00%	17,075,272	298,817,220.50	49	192,500,000,000.00
BHL	12.94	12.94	12.94	12.94	0.00%	0	0.00	0	10,866,374,122.70
FMBCH	34.00	34.00	34.00	34.00	0.00%	2,880	97,920.00	1	83,580,500,000.00
ICON	10.45	10.45	10.40	10.40	-0.48%	254,149	2,643,149.60	12	69,472,000,000.00
ILLOVO	94.50	94.50	94.50	94.50	0.00%	33,700	3,184,650.00	7	67,420,494,949.50
MPICO	24.99	24.99	24.99	24.99	0.00%	8,598	214,864.02	5	57,428,206,025.40
NBM	550.00	552.00	550.00	550.00	0.00%	693,636	382,400,065.00	29	256,812,455,900.00
NBS	14.00	17.50	14.00	17.50	25.00%	6,932,253	116,150,242.85	43	50,935,033,730.00
NICO	48.44	48.44	48.40	48.43	-0.02%	23,045,207	970,156,820.20	22	50,514,480,279.28
NITL	95.00	95.00	95.00	95.00	0.00%	40,225	3,821,375.00	10	12,825,000,000.00
OMU	2,499.99	2,499.99	2,499.99	2,499.99	0.00%	22	54,999.78	3	32,422,930,307.76
PCL	1,400.00	1,400.00	1,400.00	1,400.00	0.00%	0	0.00	0	168,358,148,000.00
STANDARD	750.01	760.00	750.00	758.34	1.11%	89,517	67,884,600.00	9	177,958,253,971.08
SUNBIRD	120.00	120.00	120.00	120.00	0.00%	7,368	884,160.00	7	31,389,909,600.00
TNM	24.99	24.99	22.00	22.00	-11.96%	52,028,762	1,144,632,738.00	76	220,889,900,000.00
Total						100,211,589	2,990,942,804.95	273	1,483,373,686,885.72

4. BOND TRADING SUMMARY

There were no trades on the listed debt securities.

Symbol	Open	High	Low	Close	% Δ	Volume	Value	Trades Count	Nominal Value
NFBN01210621	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	1,000,000,000.00
NFBN02280621	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	3,000,000,000.00
NFBN03020721	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	50,000,000.00
NFBN04230522	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	6,000,000,000.00
NFBN05310321	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	2,350,767,576.00
TN02YR040920	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	64,659,680,000.00
TN02YR310121	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	23,791,253,000.00
TN03YR111021	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	13,776,000,000.00
TN03YR220221	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	3,000,000,000.00
TN03YR270622	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	37,867,549,000.00
TN03YR270821	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	22,570,008,000.00
TN05YR221123	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	39,105,000,000.00
TN07YR271225	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	48,087,041,000.00
Total						0	0.00	0	265,257,298,576.00

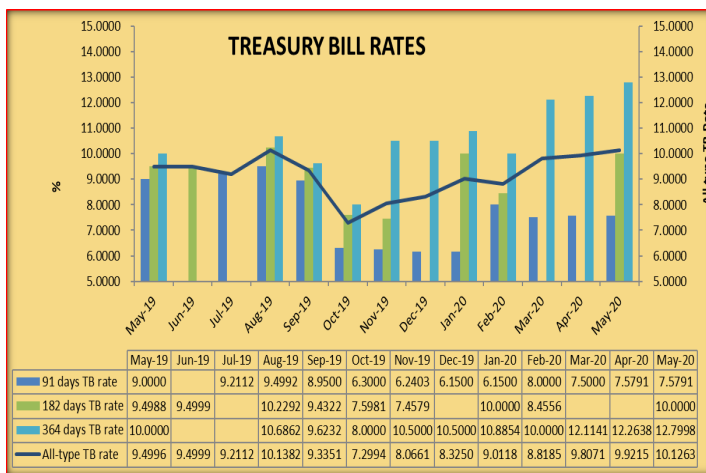
5. ECONOMIC REVIEW



MALAWI STOCK EXCHANGE

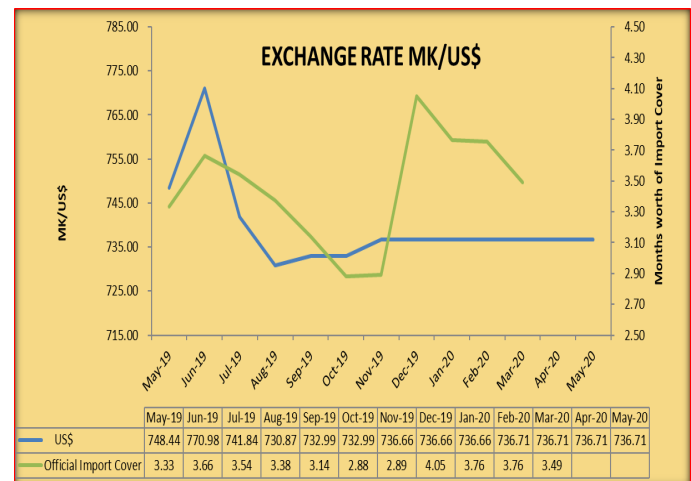
Interest Rates

During the period under review, the yields on the 91 days T-bill was flat at 7.5791% whilst the 364 days T-bill inched upwards by 0.5360% from 12.2638% to 12.7998%. The 182 days T-bill was at 10.0000%.



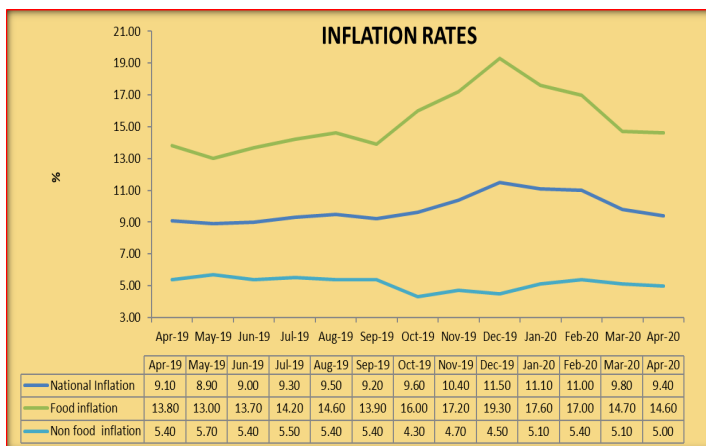
Exchange Rates

The Kwacha was stable against the United States Dollar in the period under review. Gross official reserves were at 3.49 months worth of import cover on 31 March 2020.



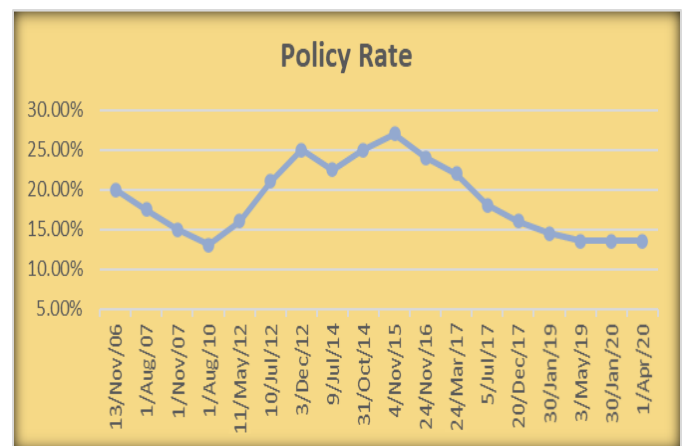
Inflation Rates

Headline inflation eased by 0.4 percentage points from 9.8% in March, 2020 to 9.4% in April, 2020.



Monetary Policy Rate

The Monetary Policy Committee at its meeting held on 01 April 2020 maintained the policy rate at 13.5%.



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