

THIRD QUARTER MARKET REPORT JULY – SEPTEMBER 2021



**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
Website: www.mse.co.mw**

Malawi's global portal

CONTENTS



MALAWI STOCK EXCHANGE

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

1. TRADING SUMMARY



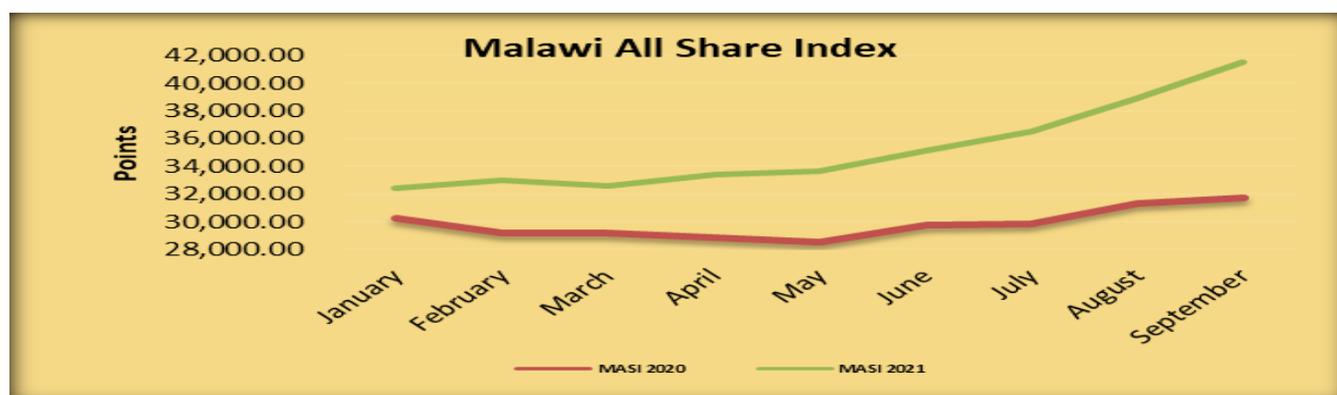
MALAWI STOCK EXCHANGE

In Q4 of 2021, the market registered a positive return on index of **18.23%**(16.79% in US\$ terms), **28.27%** YTD, compared to **6.58%**(5.19% in US\$ terms) in Q3 2020. It however, registered a decrease in both total value of shares and total volume of shares traded.

There were no trades on the listed debt securities.

Index Levels and Return – 3rd Qtr. 2021

INDEX	1 JULY 2021	30 SEPT. 2021	% Δ 3rd QTR. 2021	% Δ 3rd QTR. 2020	% Δ YTD. 2020
MASI	35144.56	41550.15	18.23 ▲	6.58 ▲	28.27 ▲
DSI	28739.26	34266.54	19.23 ▲	7.90 ▲	23.46 ▲
FSI	3234.45	3454.70	6.81▲	-16.88	153.30 ▲



Trading Statistics – 3rd Qtr. 2021

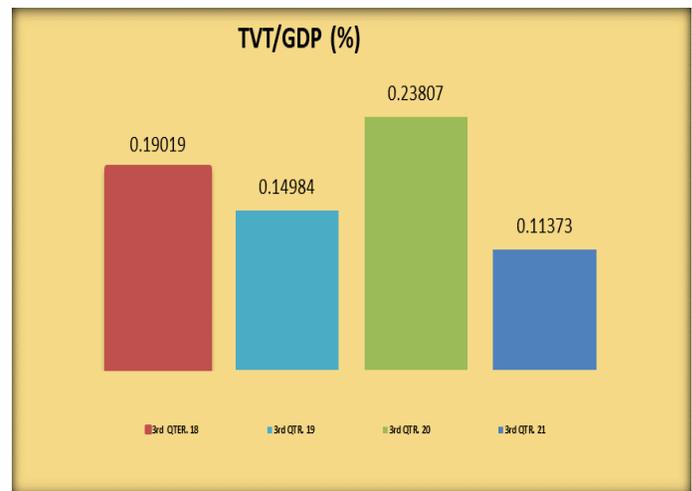
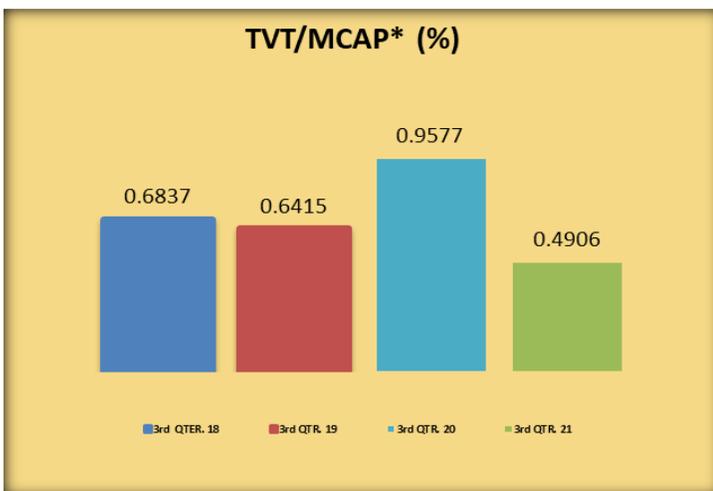
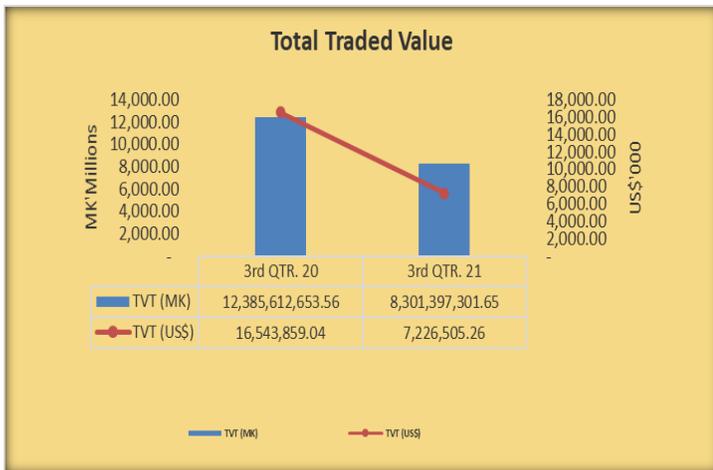
	3rd Qtr. 2021	3rd Qtr. 2020	Y-O-Y% Δ
Traded Value (MK)	8,301,397,301.65	12,385,612,653.56	-32.98
Traded Value (US\$)	7,226,505.26	16,543,859.04	-56.32
Traded Vol. Shares	189,419,282	551,047,767	-65.63
No. of Transactions	975	923	5.63 ▲
Index Close (MASI)	41550.15	31743.36	30.89 ▲
Listed Debt Securities	22	28	
Traded Debt Securities	00	00	
Listed companies	16	16	
Traded Companies	15	16	
Not Traded Companies	01	00	
Gainers	09	05	
Decliners	05	08	
Unchanged	01	03	

2. MARKET PERFORMANCE

- A. Trade Performance Analysis**
- The market transacted a total of 189,419,282 shares at a total consideration of MK8,301,397,301.65 (US\$7,226,505.26) in 975 trades. In the corresponding period 2020, the market transacted a total of 551,047,767 shares at a total consideration of MK12,385,612,653.56 (US\$16,543,859.04) in 923 trades. This reflects a **-65.63%** decrease in terms of share volume traded and a **-32.98%** (**-56.32%** in US Dollar terms) decrease in share value traded. Of the total volume of shares traded, 30,000,000 ICON, 251,479 OMU, 295,443 PCL and 33,150,000 TNM shares traded as negotiated deals.
- Daily average share trades exhibited similar trends where the market registered an average daily volume of 2,959,676 shares compared to 8,477,658 shares traded in the corresponding third quarter of 2020 reflecting a decrease of **-65.09%**.
- The average daily turnover for the third quarter 2021 was MK129,709,332.84 (US\$112,914.14) compared with MK190,547,886.98 (US\$254,520.91) for the corresponding third quarter 2020, reflecting a decrease of **-31.93%** (**-55.64%** 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 35144.56 points registered on 1 July 2021 to 41550.15 points registered on 30th September 2021, giving a return on index of **18.23%**, (**16.79%** in US\$ terms) compared to **6.58%**, (**5.19%** in US\$ terms) registered in Q3 of 2020. The price gains registered on ILLOVO(153.06%), TNM(45.13%), MPICO(31.25%), PCL(24.59%), AIRTEL(22.93%), FMBCH(7.81%), STANDARD(4.15%), NBM(3.99%) and SUNBIRD(0.01%) were enough to offset share price losses in NITL (14.99%), NBS(5.04%), OMU(4.11%), FDHB(0.81%) and ICON(0.16%) resulting into an upward movement of the Malawi All Share Index. The Domestic Share and the Foreign Share Indices inched upwards by **19.23%**(**17.79%** in US\$ terms) to 34266.54 points and by **6.81%** (**5.51%** in US\$ terms) to 3454.70 points respectively.
- Market capitalization increased in both Kwacha and US dollar terms from MK1,913,357.56 million (US\$2,372.70 million) on 1st July 2021 to MK2,256,228.05 million (US\$2,763.93 million) on 30th September 2021.
- 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 the quarter under review was recorded at 0.49%, lower than 0.96% registered in third quarter 2020. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.11% in the review period while during the corresponding period of 2020 liquidity was at 0.25%.
- Market capitalization as a percentage of GDP was at 23.18% in Q3 2021 whilst in Q3 2020 it was at 24.86%.



2. MARKET PERFORMANCE



3. COMPANY TRADING PERFORMANCE



MALAWI STOCK EXCHANGE

A. Top gainers: Nine counters registered Capital gains

MSE CODE	ISIN	COUNTER NAME	% GAIN
ILLOVO	MWILLV010032	Illovo Sugar Malawi plc	153.06 ▲
TNM	MWTNM0010127	Telekom Networks Malawi plc	45.13 ▲
MPICO	MWMPI0010118	MPICO plc	31.25 ▲
PCL	MWPCL0010053	Press Corporation plc	24.59 ▲
AIRTEL	MWAIRT001156	Airtel Malawi plc	22.93 ▲

B. Top Losers: Five counters registered capital losses

MSE CODE	ISIN	COUNTER NAME	% LOSS
NITL	MWNITL010091	NITL plc	-14.99
NBS	MWNBS0010101	NBS Bank plc	-5.04
OMU	ZAE000255360	Old Mutual Limited	-4.11
FDHB	MWFDHB001166	FDH Bank plc	-0.81
ICON	MWICON001146	ICON Properties plc	-0.16

C. Volume leaders

MSE CODE	ISIN	COUNTER NAME	SHARES	% of Total
TNM	MWTNM0010127	Telekom Networks Malawi plc	68,117,659	35.96
MPICO	MWMPI0010118	MPICO plc	49,955,524	26.37
ICON	MWICON001146	ICON Properties plc	30,092,341	15.89
AIRTEL	MWAIRT001156	Airtel Malawi plc	28,305,606	14.94
FMBCH	MWFMB0010137	FMB Capital Holdings plc	1,875,401	0.99

D. Value Leaders

MSE CODE	ISIN	COUNTER NAME	VALUE	% of Total
NBM	MWNBM0010074	National Bank of Malawi plc	3,113,859,862.10	37.51
TNM	MWTNM0010127	Telekom Networks Malawi plc	1,189,511,366.63	14.33
AIRTEL	MWAIRT001156	Airtel Malawi plc	1,097,918,947.72	13.23
MPICO	MWMPI0010118	MPICO plc	1,045,014,129.30	12.59
STANDARD	MWSTD0010041	Standard Bank Malawi plc	457,496,935.00	5.51

3. COMPANY TRADING PERFORMANCE



MALAWI STOCK EXCHANGE

Symbol	Open	High	Low	Close	Price Δ	Volume	Value	Trades Count	Market Capitalization
AIRTEL	32.53	40.00	32.53	39.99	22.93%	28,305,606	1,097,918,947.72	213	439,890,000,000.00
BHL	11.00	11.00	11.00	11.00	0.00%	0	0.00	0	9,237,257,755.00
FDHB	16.00	17.50	13.59	15.87	-0.81%	1,610,708	25,160,625.57	70	109,519,365,937.50
FMBCH	59.82	65.01	59.82	64.49	7.81%	1,875,401	121,608,436.45	48	158,532,542,500.00
ICON	12.13	12.13	12.11	12.11	-0.16%	30,092,341	336,119,177.38	21	80,894,800,000.00
ILLOVO	104.72	265.60	104.72	265.00	153.06%	549,897	85,085,280.99	46	189,062,763,615.00
MPICO	16.00	21.01	15.99	21.00	31.25%	49,955,524	1,045,014,129.30	65	48,258,996,660.00
NBM	650.08	676.00	650.08	676.00	3.99%	4,717,454	3,113,859,862.10	61	315,645,854,888.00
NBS	26.40	26.40	25.00	25.07	-5.04%	1,797,945	47,162,335.99	100	72,968,074,034.92
NICO	55.00	55.01	55.00	55.00	0.00%	1,031,328	56,723,047.00	34	57,367,260,280.00
NITL	94.94	94.94	80.70	80.71	-14.99%	374,307	30,207,813.12	16	10,895,850,000.00
OMU	2,190.00	2,190.00	2,100.00	2,100.00	-4.11%	251,509	327,336,500.00	4	34,155,741,900.00
PCL	1,199.94	1,495.00	1,199.93	1,494.98	24.59%	346,010	365,762,784.40	18	179,780,045,783.60
STANDARD	1,200.15	1,250.01	1,200.15	1,250.00	4.15%	366,593	457,496,935.00	21	293,335,202,500.00
SUNBIRD	90.00	90.01	90.00	90.01	0.01%	27,000	2,430,060.00	3	23,545,048,025.80
TNM	16.00	23.25	15.50	23.22	45.13%	68,117,659	1,189,511,366.63	255	233,139,249,000.00
Total						189,419,282	8,301,397,301.65	975	2,256,228,052,879.82

4. BOND TRADING SUMMARY



MALAWI STOCK EXCHANGE

Symbol	Open	High	Low	Close	Price Δ	Volume	Value	Trades Count	Nominal Value
NFB02	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.0000	0	3,000,000,000.00
NFB03	100.2026	100.2026	100.2026	100.2026	0.00%	0	0.0000	0	50,000,000.00
NFB04	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.0000	0	6,000,000,000.00
T012	81.0399	81.0399	81.0399	81.0399	0.00%	0	0.0000	0	125,981,188,000.00
T02AD	89.3564	89.3564	89.3564	89.3564	0.00%	0	0.0000	0	24,146,600,000.00
T103	77.4237	77.4237	77.4237	77.4237	0.00%	0	0.0000	0	36,495,000,000.00
T10YR	71.7006	71.7006	71.7006	71.7006	0.00%	0	0.0000	0	15,975,000,000.00
TN001	84.2591	84.2591	84.2591	84.2591	0.00%	0	0.0000	0	49,078,500,000.00
TN023	87.5514	87.5514	87.5514	87.5514	0.00%	0	0.0000	0	32,891,200,000.00
TN05	86.2716	86.2716	86.2716	86.2716	0.00%	0	0.0000	0	63,097,328,000.00
TN06	93.2903	93.2903	93.2903	93.2903	0.00%	0	0.0000	0	55,366,500,000.00
TN07	76.3317	76.3317	76.3317	76.3317	0.00%	0	0.0000	0	78,959,700,000.00
TN100	95.7335	95.7335	95.7335	95.7335	0.00%	0	0.0000	0	54,305,586,000.00
TN101	96.2465	96.2465	96.2465	96.2465	0.00%	0	0.0000	0	20,645,602,000.00
TN102	87.9849	87.9849	87.9849	87.9849	0.00%	0	0.0000	0	18,811,414,000.00
TN107	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.0000	0	22,570,008,000.00
TN7AF	73.8329	73.8329	73.8329	73.8329	0.00%	0	0.0000	0	33,927,070,000.00
TN7YR	76.7700	76.7700	76.7700	76.7700	0.00%	0	0.0000	0	16,239,700,000.00
TN888	73.0590	73.0590	73.0590	73.0590	0.00%	0	0.0000	0	5,960,000,000.00
TN90	88.4233	88.4233	88.4233	88.4233	0.00%	0	0.0000	0	19,447,360,000.00
TN92	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.0000	0	48,087,041,000.00
TN94	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.0000	0	13,776,000,000.00
TN96	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.0000	0	39,105,000,000.00
TN99	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.0000	0	37,867,549,000.00
Total						0	0.0000	0	821,783,346,000.00

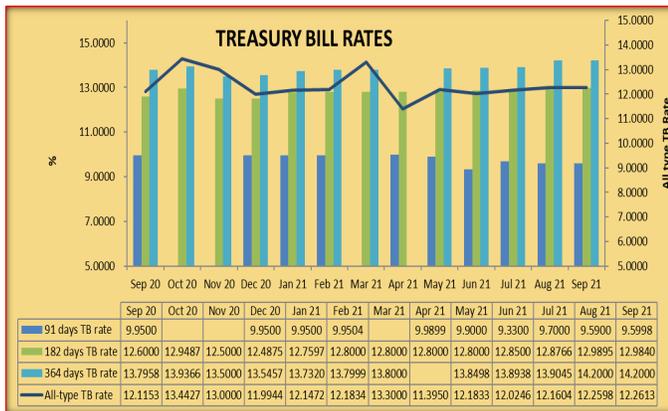
4. ECONOMIC REVIEW



MALAWI STOCK EXCHANGE

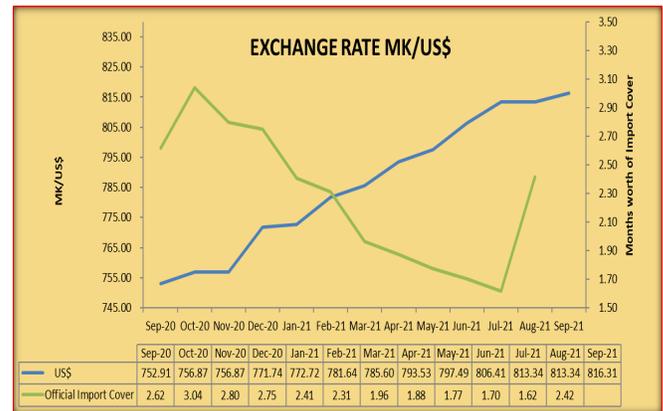
Interest Rates

During the quarter under review, the yields on the 91 days Tbill fell by 0.1002% from 9.7000% to 9.5998% whilst the 182 and 364 days Tbills inched upwards by 0.1074% from 12.8766% to 12.9840% and by 0.2955% from 13.9045% to 14.2000% respectively.



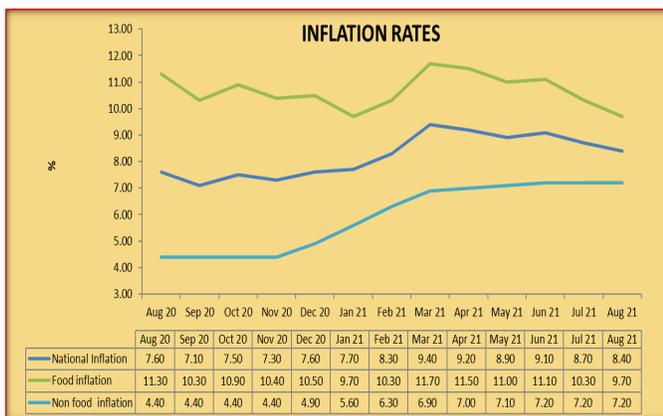
Exchange Rates

The Malawi Kwacha depreciated against the United States Dollar by 1.21% in the period under review. Gross official reserves were at 2.42 months of import cover as of 31 August 2021.



Inflation Rates

Headline inflation eased by 0.3 percentage points from 8.7% in July, 2021 to 8.4% in August, 2021.



Monetary Policy Rate

The Monetary Policy Committee at its meeting held on 28 and 29 April 2021 maintained the policy rate at 12%.



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

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

Cedar Capital Limited
4th Floor, Livingstone Towers
P.O Box 3340
Blantyre
Tel:+265 1 831 995
Fax: +265 1 831 859
Email: kamphonia@cedarcapital.mw

Alliance Stockbrokers Limited
Old Air Malawi Building
P.O Box 510
Blantyre
Tel: +265 1 830 704
Email: asl@aclmw.com