

MONTHLY MARKET REPORT

JANUARY 2023



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INVESTING IN BONDS ON THE MALAWI STOCK EXCHANGE

What is a bond?

Bonds are essentially tradeable loans from an investor to a company, statutory corporation or government.

Who is a bondholder?

An individual who lends money to a company, statutory corporation or government.

Who is a bond issuer?

An entity such as corporate, statutory corporation or government who borrows money from the bondholder for the purpose of raising funds.

Did you know?

You can invest as little as MK1,000.00 and earn interest ranging from 10-17.84% by investing on any of the listed bonds on the Malawi Stock Exchange.

Benefits of investing in Bonds

Provides a predictable income stream in the form of cash interest payments which are based on the interest rate on the bond.

Bonds are considered less risky, especially when considering government bonds, thus, offer a good starting point to investing for beginners.

Bondholders get priority of payment in the event of liquidation or when the borrower goes bankrupt. They enjoy a measure of legal protection to get their money back.

Bondholders can benefit from capital gains.

For more information, contact the Malawi Stock Exchange

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<https://www.mse.co.mw>

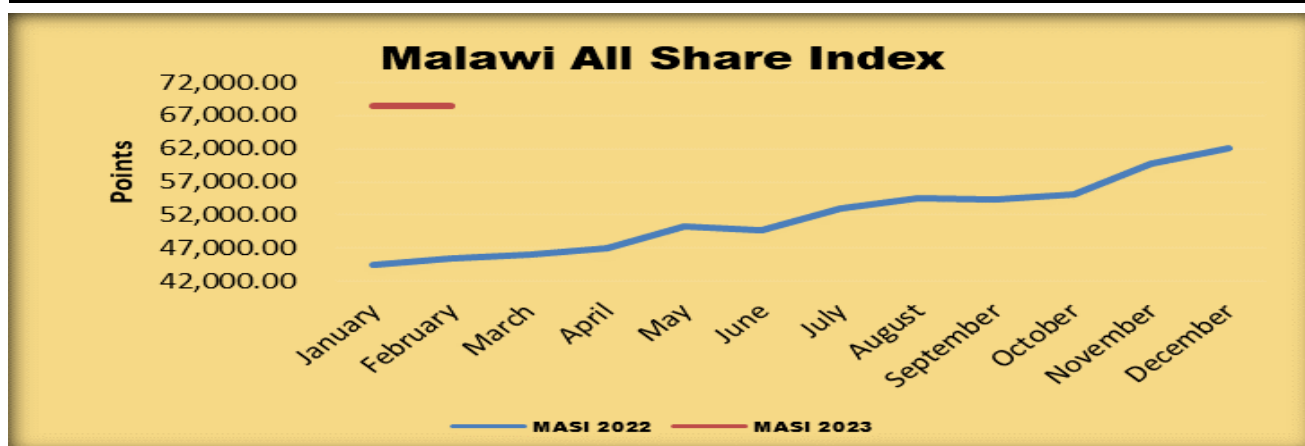
1. TRADING SUMMARY

The market registered a positive month-on-month return on index of 10.34%(10.34% in US\$ terms) despite registering a decrease in both total traded value and volume of shares.

There were no trades on the Debt Securities Board.

Index Levels and Return – January 2023

INDEX	January 2023	December 2022	% Monthly Δ 2023	% Monthly Δ 2022	% Δ YTD. 2023
MASI	68,451.77	62,036.05	10.34 ▲	-1.91	10.34 ▲
DSI	54,351.80	50,804.03	6.98 ▲	-1.99	6.98 ▲
FSI	8,374.09	5,614.30	49.16 ▲	-0.95	49.16 ▲



	January 2023	December 2022	Monthly % Δ	January 2022	Y-O-Y %Δ
Traded Value (MK)	2,315,457,887.73	3,345,995,357.81	-30.80	1,226,390,031.46	88.80 ▲
Traded Value (US\$)	2,255,825.59	3,259,822.60	-30.80	1,502,192.22	50.17 ▲
Traded Vol. Shares	62,928,670	97,387,204	-35.38	24,610,034	155.70 ▲
No. of Transactions	439	348	26.15 ▲	275	59.64 ▲
Index Close (MASI)	68,451.77	62,036.05	10.34 ▲	44501.63	53.82 ▲
Listed Debt Securities	62	62		46	
Traded Debt Securities	00	00		00	
Listed companies	16	16		16	
Traded Companies	16	16		15	
Not Traded Companies	00	00		01	
Gainers	10	11		04	
Decliners	05	05		07	
Unchanged	01	00		04	

2. MARKET PERFORMANCE

A. Trade Performance Analysis

The market transacted a total of 62,928,670 shares at a total consideration of MK2,315,457,887.73 (US\$2,255,825.59) in 439 trades in the month of January 2023. In the previous month of December 2022, the market transacted a total of 97,387,204 shares at a total consideration of MK3,345,995,357.81 (US\$3,259,822.60) in 348 trades. This reflects a **-35.38%** decrease in terms of share volume traded and a **-30.80%** (**-30.80%** in US Dollar terms) decrease in share value traded. Of the shares traded 10 million TNM and 24.55 million ICON shares traded as negotiated deals at a total consideration of MK392.72 million.

Daily average share trades exhibited similar trends where the market registered an average daily volume of 3,146,434 shares compared to 4,869,360 shares traded in December 2022, reflecting a decrease of **-35.38%**.

The average daily turnover for January 2023 was MK115,772,894.39 (US\$112,791.28) compared to MK167,299,767.89 (US\$162,991.13) in December 2022, reflecting a decrease of **-30.80%** (**-30.80%** 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 62,036.05 points registered in December 2022 to 68,451.77 points registered in January 2023, giving a month-on-month return on index of **10.34%** (**10.34%** in US\$ terms). The price gains registered by FDHB(66.95%), FMBCH(50.64%), NITL(31.21%), SUNBIRD(14.06%), NBS(13.24%), ILLOVO(11.11%), NICO(10.00%), STANDARD(9.99%), AIRTEL(2.49%) and NBM (0.07%) were enough to offset share price losses registered by OMU(-17.79%), ICON (-0.25%), MPICO(-0.24%), BHL(-0.09%) and PCL(-0.001%) resulting into an upward movement of the Malawi All Share Index. The Domestic Share and the Foreign Share Indices inched upwards by 6.98% to 54,351.80 points and by 49.16% to 8,374.09 points respectively.

Equity market capitalization increased in both Malawi Kwacha and US Dollar terms from MK3.35 trillion (US\$3.26 billion) to MK3.70 trillion (US\$3.60 billion). Debt market capitalization was at MK204.02 trillion (US\$198.76 billion) as at 31 January 2023.

C. Market Liquidity

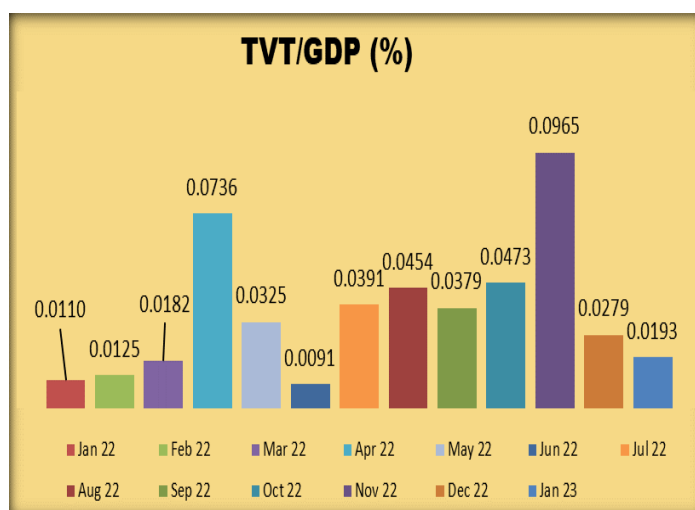
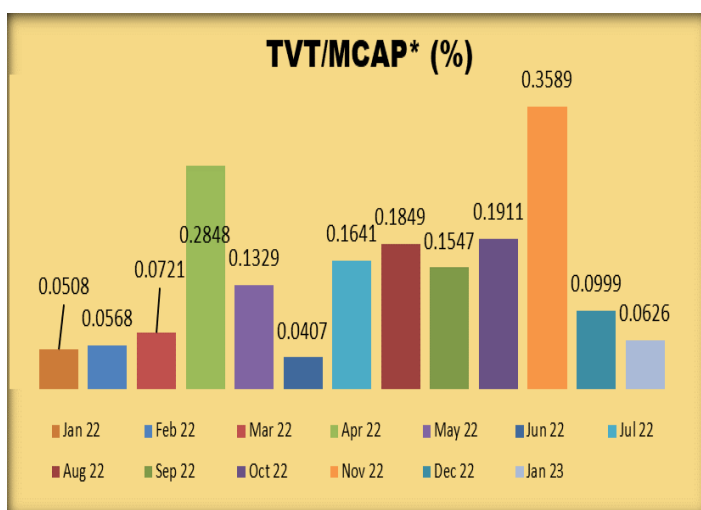
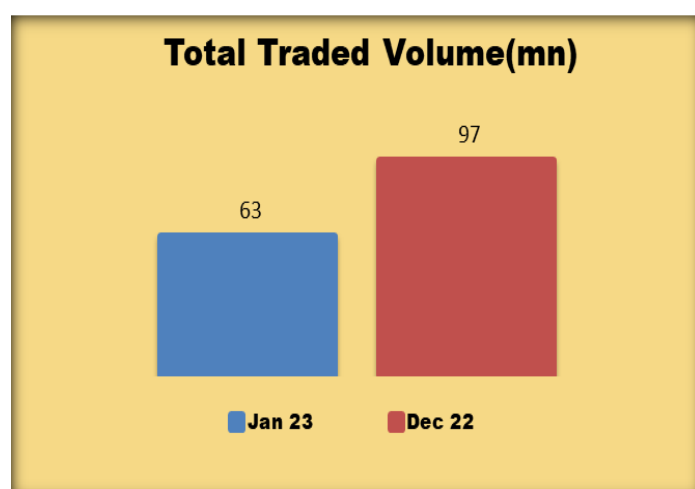
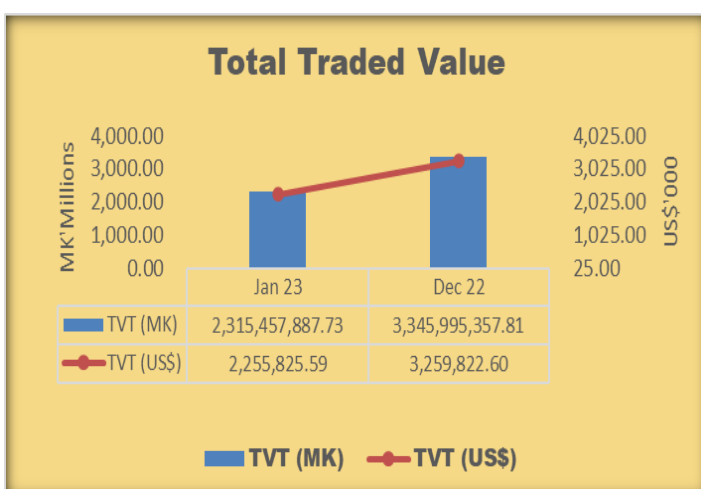
The turnover velocity measured by the ratio of Total Value of Trades to Market Capitalisation (**TVT/MCAP***), an indicator of the liquidity of assets traded on the market, in January 2023 was recorded at 0.06%, lower than 0.10% registered in December 2022. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.02% in January 2023 while during the previous month, December 2022, liquidity was at 0.03%.

Market capitalization as a percentage of GDP was at 30.79% in January 2023 and 27.89% in December 2022.



MALAWI STOCK EXCHANGE

2. MARKET PERFORMANCE



3. COMPANY TRADING PERFORMANCE

A. Top 5 gainers: Ten counters registered capital gains

MSE CODE	ISIN	COUNTER NAME	% GAIN
FDHB	MWFDHB001166	FDH Bank plc	66.95 ▲
FMBCH	MWFMB0010138	FMB Capital Holdings plc	50.64 ▲
NITL	MWNITL010091	NITL plc	31.21 ▲
SUNBIRD	MWSTL0010085	Sunbird tourism plc	14.06 ▲
NBS	MWNBS0010101	NBS Bank plc	13.24 ▲

B. Top 5 Losers: Five counters registered capital losses

MSE CODE	ISIN	COUNTER NAME	% LOSS
OMU	ZAE000255360	Old Mutual Limited	-17.79
ICON	MWICON001146	ICON Properties plc	-0.25
MPICO	MWMPI0010116	MPICO plc	-0.24
BHL	MWBHL0010029	Blantyre Hotels plc	-0.09
PCL	MWPCL0010053	Press Corporation plc	-0.001

C. Top 5 Volume Leaders

MSE CODE	ISIN	COUNTER NAME	SHARES	% of Total
ICON	MWICON001146	ICON Properties plc	26,039,562	41.38
TNM	MWTNM0010126	Telekom Networks Malawi plc	13,609,491	21.63
FDHB	MWFDHB001166	FDH Bank plc	10,651,727	16.93
NBS	MWNBS0010101	NBS Bank plc	6,641,762	10.55
AIRTEL	MWAIRT001156	Airtel Malawi plc	3,184,404	5.06

D. Top 5 Value Leaders

MSE CODE	ISIN	COUNTER NAME	VALUE	% of Total
OMU	ZAE000255360	Old Mutual Limited	853,357,113.43	36.85
ICON	MWICON001146	ICON Properties plc	275,552,220.65	11.90
NBS	MWNBS0010101	NBS Bank plc	255,707,795.50	11.04
FDHB	MWFDHB001166	FDH Bank plc	238,517,784.00	10.30
TNM	MWTNM0010126	Telekom Networks Malawi plc	185,502,122.00	8.01



3. COMPANY TRADING PERFORMANCE

In the secondary market, 62,928,67094 shares were transacted at a total consideration of MK2,315,457,887.73 (US\$2,255,825.59) in 439 deals with no listings in the primary market.

Symbol	Open	High	Low	Close	Price Δ	Volume	Value	Trades Count	Market Capitalization
AIRTEL	56.64	58.05	56.65	58.05	2.49%	3,184,404	182,805,549.60	79	638,550,000,000.00
BHL	10.97	10.97	10.96	10.96	-0.09%	9,289	101,862.33	3	9,203,667,726.80
FDHB	17.37	29.00	17.37	29.00	66.95%	10,651,727	238,517,784.00	94	200,129,906,250.00
FMBCH	110.86	167.00	110.86	167.00	50.64%	948,009	156,884,280.00	20	410,527,750,000.00
ICON	11.95	11.95	11.92	11.92	-0.25%	26,039,562	275,552,220.65	14	79,625,600,000.00
ILLOVO	540.00	600.00	540.00	600.00	11.11%	78,763	45,714,650.00	28	428,066,634,600.00
MPICO	20.64	20.64	20.59	20.59	-0.24%	25,446	524,167.60	4	47,316,797,201.40
NBM	1,542.05	1,543.11	1,542.07	1,543.11	0.07%	23,023	35,520,118.20	34	720,527,034,225.18
NBS	34.00	38.50	34.00	38.50	13.24%	6,641,762	255,707,795.50	59	112,057,074,206.00
NICO	60.00	66.00	60.00	66.00	10.00%	458,488	29,851,763.88	8	68,840,712,336.00
NITL	124.99	164.00	124.99	164.00	31.21%	249,389	38,019,821.24	9	22,140,000,000.00
OMU	985.00	985.00	800.00	809.73	-17.79%	996,076	853,357,113.43	36	13,197,699,389.97
PCL	2,181.37	2,181.37	2,181.35	2,181.35	0.00%	1,014	2,211,899.30	2	262,320,032,957.00
STANDARD	2,000.16	2,200.00	2,000.16	2,200.00	9.99%	6,827	14,619,740.00	7	516,269,956,400.00
SUNBIRD	92.06	105.00	92.06	105.00	14.06%	5,400	567,000.00	1	27,466,170,900.00
TNM	14.00	14.00	13.98	14.00	0.00%	13,609,491	185,502,122.00	41	140,566,300,000.00
Total						62,928,670	2,315,457,887.73	439	3,696,805,336,192.35



4. BOND TRADING PERFORMANCE

In the period under review, there was 1 Corporate Medium Term Notes by MyBucks Banking Corporation and 61 Malawi Government Treasury Notes with a total nominal value of MK2.49 trillion as at 31 January 2023.

There were no trades in the secondary market.

Symbol	Open	High	Low	Close	Price Δ	Volume '000'	Value	Trades Count	Market Capitalization
03TNY	80.7182	80.7182	80.7182	80.7182	0.00%	0	0.00	0	9,095,949,355,476.60
3TNRY	76.8326	76.8326	76.8326	76.8326	0.00%	0	0.00	0	801,467,742,010.00
DB07I	72.5761	72.5761	72.5761	72.5761	0.00%	0	0.00	0	863,408,831,260.00
DB10Y	72.0496	72.0496	72.0496	72.0496	0.00%	0	0.00	0	49,923,167,840.00
DB820	72.3338	72.3338	72.3338	72.3338	0.00%	0	0.00	0	1,335,506,182,780.00
N02T	87.5763	87.5763	87.5763	87.5763	0.00%	0	0.00	0	10,338,279,925,881.60
N0914	89.0915	89.0915	89.0915	89.0915	0.00%	0	0.00	0	1,271,228,795,200.00
NFB02	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	300,000,000,000.00
T0119	69.2256	69.2256	69.2256	69.2256	0.00%	0	0.00	0	583,641,033,600.00
T012	81.0399	81.0399	81.0399	81.0399	0.00%	0	0.00	0	10,209,502,877,401.20
T0127	74.9917	74.9917	74.9917	74.9917	0.00%	0	0.00	0	2,317,666,483,188.00
T02MZ	91.8528	91.8528	91.8528	91.8528	0.00%	0	0.00	0	4,887,163,798,732.80
T02NA	88.7905	88.7905	88.7905	88.7905	0.00%	0	0.00	0	5,020,549,166,232.50
T02XN	89.1022	89.1022	89.1022	89.1022	0.00%	0	0.00	0	1,536,166,479,100.00
T03BN	81.6864	81.6864	81.6864	81.6864	0.00%	0	0.00	0	7,753,203,963,004.80
T03SD	87.3825	87.3825	87.3825	87.3825	0.00%	0	0.00	0	8,118,054,453,900.00
T03TX	82.3607	82.3607	82.3607	82.3607	0.00%	0	0.00	0	1,874,194,323,951.00
T05NT	84.3890	84.3890	84.3890	84.3890	0.00%	0	0.00	0	1,656,051,423,780.00
T05QZ	78.6668	78.6668	78.6668	78.6668	0.00%	0	0.00	0	10,171,281,647,431.20
T0731	72.1403	72.1403	72.1403	72.1403	0.00%	0	0.00	0	493,908,563,950.00
T103	77.4237	77.4237	77.4237	77.4237	0.00%	0	0.00	0	2,825,577,931,500.00
T10BZ	70.6450	70.6450	70.6450	70.6450	0.00%	0	0.00	0	353,225,000,000.00
T10NX	68.4575	68.4575	68.4575	68.4575	0.00%	0	0.00	0	374,017,551,250.00
T10YR	71.7006	71.7006	71.7006	71.7006	0.00%	0	0.00	0	1,145,417,085,000.00
T2511	73.3232	73.3232	73.3232	73.3232	0.00%	0	0.00	0	546,888,419,520.00
T2MM	84.6553	84.6553	84.6553	84.6553	0.00%	0	0.00	0	5,854,946,789,660.00
T3YRX	82.3667	82.3667	82.3667	82.3667	0.00%	0	0.00	0	2,236,971,671,623.00
TN001	84.2591	84.2591	84.2591	84.2591	0.00%	0	0.00	0	4,135,310,239,350.00
TN002	83.6180	83.6180	83.6180	83.6180	0.00%	0	0.00	0	9,391,504,077,694.00
TN02	89.3006	89.3006	89.3006	89.3006	0.00%	0	0.00	0	3,886,951,495,960.00



4. BOND TRADING PERFORMANCE

TN023	87.5514	87.5514	87.5514	87.5514	0.00%	0	0.00	0	2,879,670,607,680.00
TN02Z	89.2853	89.2853	89.2853	89.2853	0.00%	0	0.00	0	1,593,146,536,337.20
TN03	83.3589	83.3589	83.3589	83.3589	0.00%	0	0.00	0	1,220,282,601,210.00
TN03L	82.2589	82.2589	82.2589	82.2589	0.00%	0	0.00	0	4,581,166,442,709.40
TN03N	82.3849	82.3849	82.3849	82.3849	0.00%	0	0.00	0	1,282,881,185,820.00
TN05	86.2716	86.2716	86.2716	86.2716	0.00%	0	0.00	0	5,443,507,442,284.80
TN05Y	77.3103	77.3103	77.3103	77.3103	0.00%	0	0.00	0	7,180,897,945,471.20
TN07	76.3317	76.3317	76.3317	76.3317	0.00%	0	0.00	0	6,027,128,132,490.00
TN102	87.9849	87.9849	87.9849	87.9849	0.00%	0	0.00	0	1,655,120,379,648.60
TN10F	61.5493	61.5493	61.5493	61.5493	0.00%	0	0.00	0	953,934,135,910.00
TN12H	91.9173	91.9173	91.9173	91.9173	0.00%	0	0.00	0	7,625,818,236,973.80
TN2	82.9777	82.9777	82.9777	82.9777	0.00%	0	0.00	0	1,634,818,347,630.00
TN201	71.7603	71.7603	71.7603	71.7603	0.00%	0	0.00	0	1,028,064,609,111.00
TN3	77.0438	77.0438	77.0438	77.0438	0.00%	0	0.00	0	2,099,712,432,862.00
TN5	70.6523	70.6523	70.6523	70.6523	0.00%	0	0.00	0	5,011,014,377,500.00
TN50	77.1437	77.1437	77.1437	77.1437	0.00%	0	0.00	0	1,019,145,420,700.00
TN5YC	74.7614	74.7614	74.7614	74.7614	0.00%	0	0.00	0	6,278,539,899,571.80
TN7AF	73.8329	73.8329	73.8329	73.8329	0.00%	0	0.00	0	2,504,933,966,603.00
TN7YR	76.7700	76.7700	76.7700	76.7700	0.00%	0	0.00	0	1,246,721,769,000.00
TN888	73.0590	73.0590	73.0590	73.0590	0.00%	0	0.00	0	435,431,640,000.00
TN90	88.4233	88.4233	88.4233	88.4233	0.00%	0	0.00	0	1,719,599,747,488.00
TN92	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	4,808,704,100,000.00
TN96	100.0000	100.0000	100.0000	100.0000	0.00%	0	0.00	0	3,910,500,000,000.00
TNX02	89.2899	89.2899	89.2899	89.2899	0.00%	0	0.00	0	5,770,961,780,005.80
TNX07	76.0578	76.0578	76.0578	76.0578	0.00%	0	0.00	0	1,555,382,010,000.00
TNX10	70.6384	70.6384	70.6384	70.6384	0.00%	0	0.00	0	832,544,182,400.00
TNX7	74.3855	74.3855	74.3855	74.3855	0.00%	0	0.00	0	2,908,487,927,100.00
TNY07	75.3418	75.3418	75.3418	75.3418	0.00%	0	0.00	0	2,257,271,896,214.20
TT05	76.9113	76.9113	76.9113	76.9113	0.00%	0	0.00	0	2,903,470,795,170.00
TX07Y	74.6008	74.6008	74.6008	74.6008	0.00%	0	0.00	0	971,377,016,800.00
TX10Z	70.6213	70.6213	70.6213	70.6213	0.00%	0	0.00	0	758,472,762,000.00
Y05TN	68.6804	68.6804	68.6804	68.6804	0.00%	0	0.00	0	4,491,061,767,413.60
Total						0	0.00	0	204,017,728,570,381.00

Policy Rate

Date	Policy Rate (%)
3/Dec/12	25.00
9/jul/14	22.00
31/oct/14	25.00
4/nov/15	27.00
24/nov/16	24.00
24/mar/17	22.00
5/jul/17	18.00
20/dec/17	16.00
30/jan/19	14.00
3/may/19	13.00
30/jan/20	13.00
1/apr/20	13.50
5/nov/20	12.00
26/jan/21	12.00
2/apr/21	12.00
29/jul/21	12.00
3/nov/21	12.00
3/feb/22	11.50
29/apr/22	14.00
27/jul/22	13.50
26/oct/22	18.00
2/feb/23	18.00

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