

# MONTHLY MARKET REPORT

## MAY 2024



**Old Reserve Bank Building, Victoria Avenue**  
P/Bag 270  
Blantyre  
Malawi

Telephone: (265) 111 824 233; Fax: (265) 111 823 636  
E-mail: [info@mse.co.mw](mailto:info@mse.co.mw)  
Website: [www.mse.co.mw](http://www.mse.co.mw)

*Malawi's global portal*

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MALAWI STOCK EXCHANGE

## 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



**Telephone:** +265 884 824 233  
+265 0111 824 233  
**Email:** info@mse.co.mw  
**Website:** www.mse.co.mw

**Old Reserve Bank Building**  
14 Victoria Avenue  
Private Bag 270  
Blantyre, Malawi

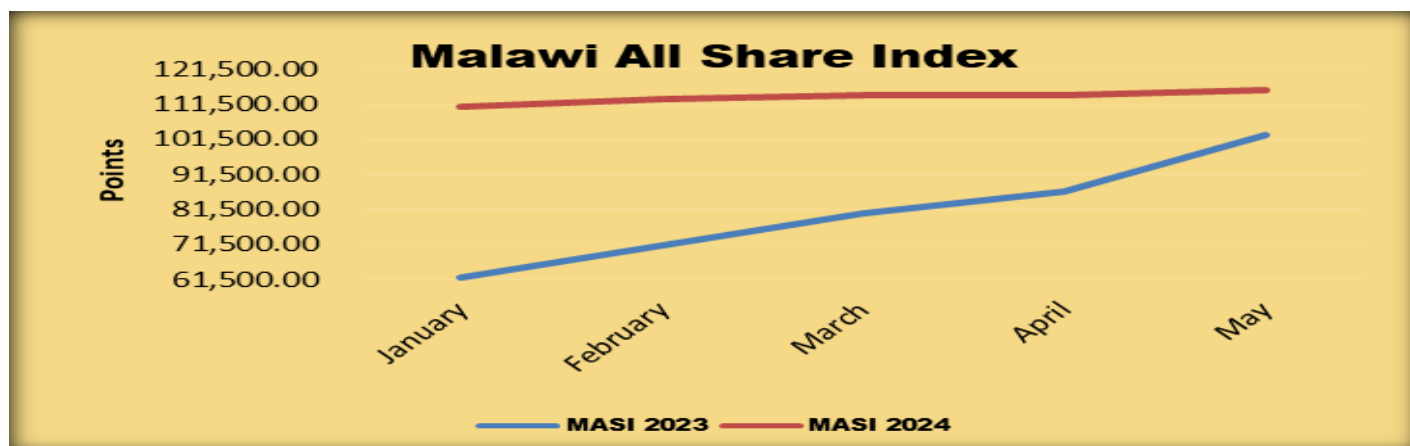
## 1. TRADING SUMMARY

In the month of May 2024, the market registered a positive month-on-month return on index of **1.04%** (1.04% in US\$ terms) and a positive year-to-date return of **4.03%**. The market also registered an increase in total traded value despite registering a decline in volume of shares.

There were no trades on the 75 Debt Securities Board.

### Index Levels and Return – May 2024

INDEX	May 2024	April 2024	% Monthly Δ 2024	% Monthly Δ 2023	% Δ YTD. 2024
MASI	115,418.29	114,228.31	1.04 ▲	18.94 ▲	4.03 ▲
DSI	87,814.00	86,753.99	1.22 ▲	18.23 ▲	1.68 ▲
FSI	19,011.00	19,012.49	-0.008	26.74 ▲	20.38 ▲



	May 2024	April 2024	Monthly % Δ	May 2023	Y-O-Y %Δ
Traded Value (MK)	9,050,844,127.99	8,990,252,019.41	0.67 ▲	11,316,451,770.53	-20.02
Traded Value (US\$)	5,220,036.62	5,185,088.35	0.67 ▲	11,025,006.82	-52.65
Traded Vol. Shares	79,840,481	80,477,953	-0.79	119,471,956	-33.17
No. of Transactions	1,046	1,055	-0.85	1,330	-21.35
Index Close (MASI)	115,418.29	114,228.31	1.04 ▲	102,837.75	12.23 ▲
Listed Debt Securities	75	76		58	
Traded Debt Securities	00	00		00	
Listed companies	16	16		16	
Traded Companies	16	15		16	
Not Traded Companies	00	01		00	
Gainers	07	09		13	
Decliners	07	04		02	
Unchanged	02	02		01	

## 2. MARKET PERFORMANCE

**A. Trade Performance Analysis** The market transacted a total of 79.84 million shares at a total consideration of MK9.05 billion (US\$5.22 million) in 1,046 trades in the month of May 2024. In the previous month of April 2024, the market transacted a total of 80.48 million shares at a total consideration of MK8.99 billion (US\$5.19 million) in 1,055 trades. This reflects a **-0.79%** decrease in terms of share volume traded but a **0.67%** (0.67% in US Dollar terms) increase in share value traded.

Daily average share trades exhibited similar trends where the market registered an average daily volume of 3.80 million shares compared to 4.02 million shares traded in April 2024, reflecting a decrease of **-5.52%**.

The average daily turnover for May 2024 was MK430.99 million (US\$248.57 thousand) compared to MK449.51 million (US\$259.25 thousand) in April 2024, reflecting a decrease of **-4.12%** (-4.12% 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 114,228.31 points registered in April 2024 to 115,418.29 points registered in May 2024, giving a month-on-month return on index of **1.04%** (1.04% in US\$ terms). The price gains registered by TNM(23.97%), FDHB (14.35%), MPICO(2.25%), AIRTEL(0.31%), BHL(0.08%), NBM(0.0021%) and STANDARD(0.0018%) were enough to offset share price losses registered by NBS (-10.86%), ICON(-0.06%), NICO(-0.05%), FMBCH(-0.01%), NITL(-0.0049%), PCL (-0.0008%) and ILLOVO(-0.0007%) resulting into an upward movement of the Malawi All Share Index. The Domestic Share Index inched upwards by 1.22% to 87,814.00 points whilst the Foreign Share index fell by -0.0078% to 19,011.00 points.

Equity market capitalization increased in both Malawi Kwacha and US Dollar terms from MK6.17 trillion (US\$3.56 billion) to MK6.24 trillion (US\$3.60 billion).

**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 2024 was recorded at 0.145%, marginally lower than 0.146 registered in April 2024. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.0504% in May 2024 while during the previous month, April 2024, liquidity was at 0.0501%.

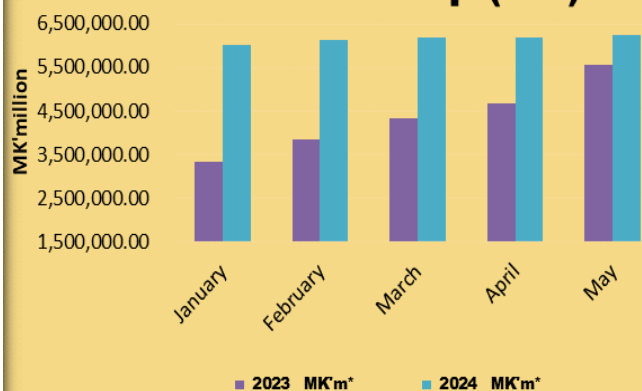
Market capitalization as a percentage of GDP was at 34.77% in May 2024 and 34.42% in April 2024.



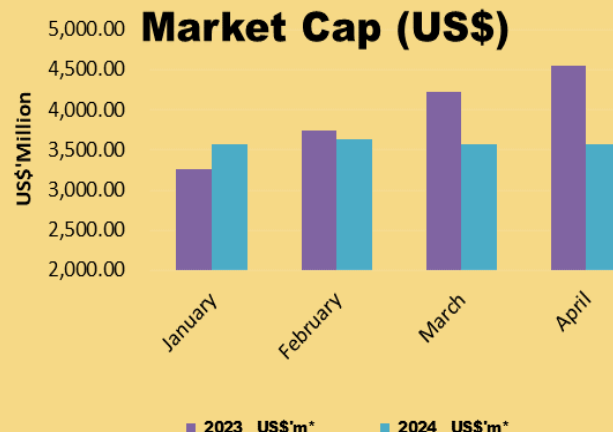
MALAWI STOCK EXCHANGE

## 2. MARKET PERFORMANCE

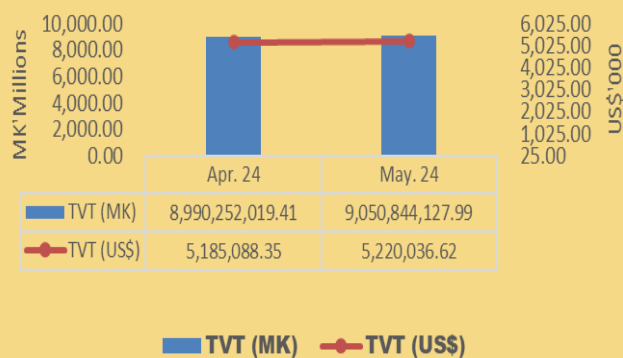
### Market Cap (MK)



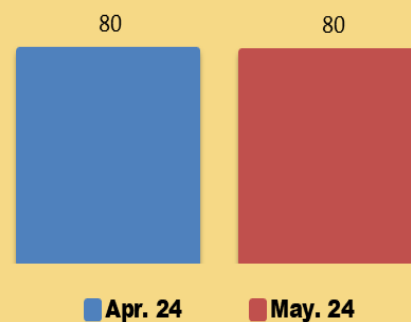
### Market Cap (US\$)



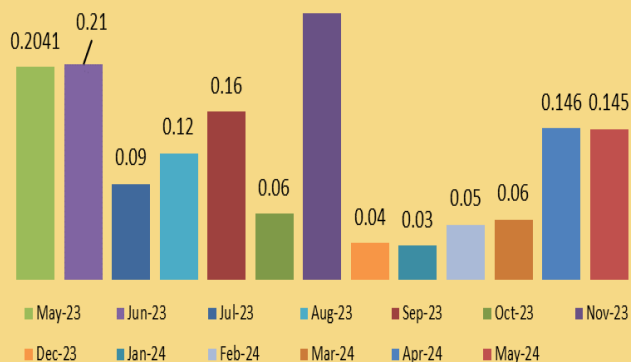
### Total Traded Value



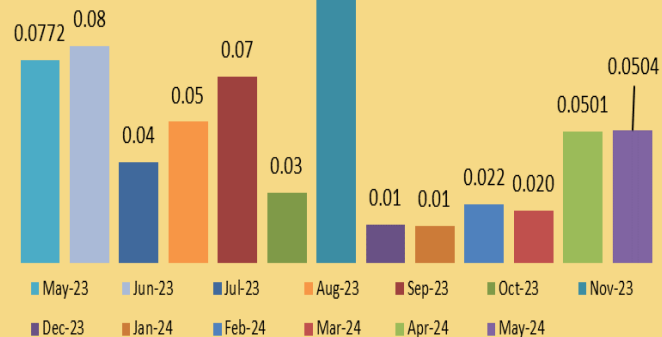
### Total Traded Volume(mn)



### TVT/MCAP\* (%)



### TVT/GDP (%)





### 3. COMPANY TRADING PERFORMANCE

#### Top 5 gainers

Seven counters registered capital gains in the period under review.

MSE CODE	ISIN	COUNTER NAME	% GAIN
TNM	MWTNM0010126	Telekom Networks Malawi plc	23.97 ▲
FDHB	MWFDHB001166	FDH Bank plc	14.35 ▲
MPICO	MWMPI0010116	MPICO plc	2.25 ▲
AIRTEL	MWAIRT001156	Airtel Malawi plc	0.31 ▲
BHL	MWBHL0010029	Blantyre Hotels plc	0.08 ▲

#### Top 5 Losers

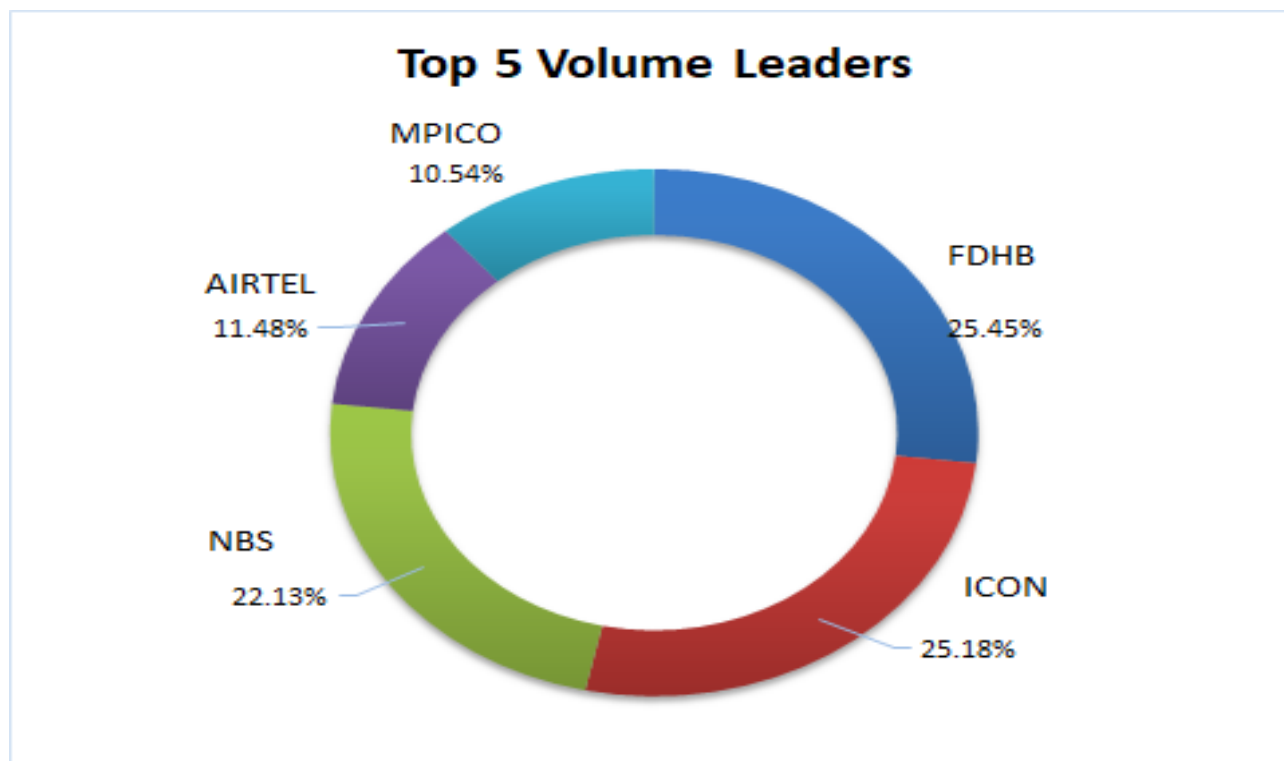
Seven counters registered capital losses in the period under review.

MSE CODE	ISIN	COUNTER NAME	% LOSS
NBS	MWNBS0010105	NBS Bank plc	-10.86
ICON	MWICON001146	ICON Properties plc	-0.06
NICO	MWNICO0010014	NICO Holdings plc	-0.05
FMBCH	MWFMB0010138	FMB Capital Holdings plc	-0.01
NITL	MWNITL010091	National Investment Trust plc	-0.0049

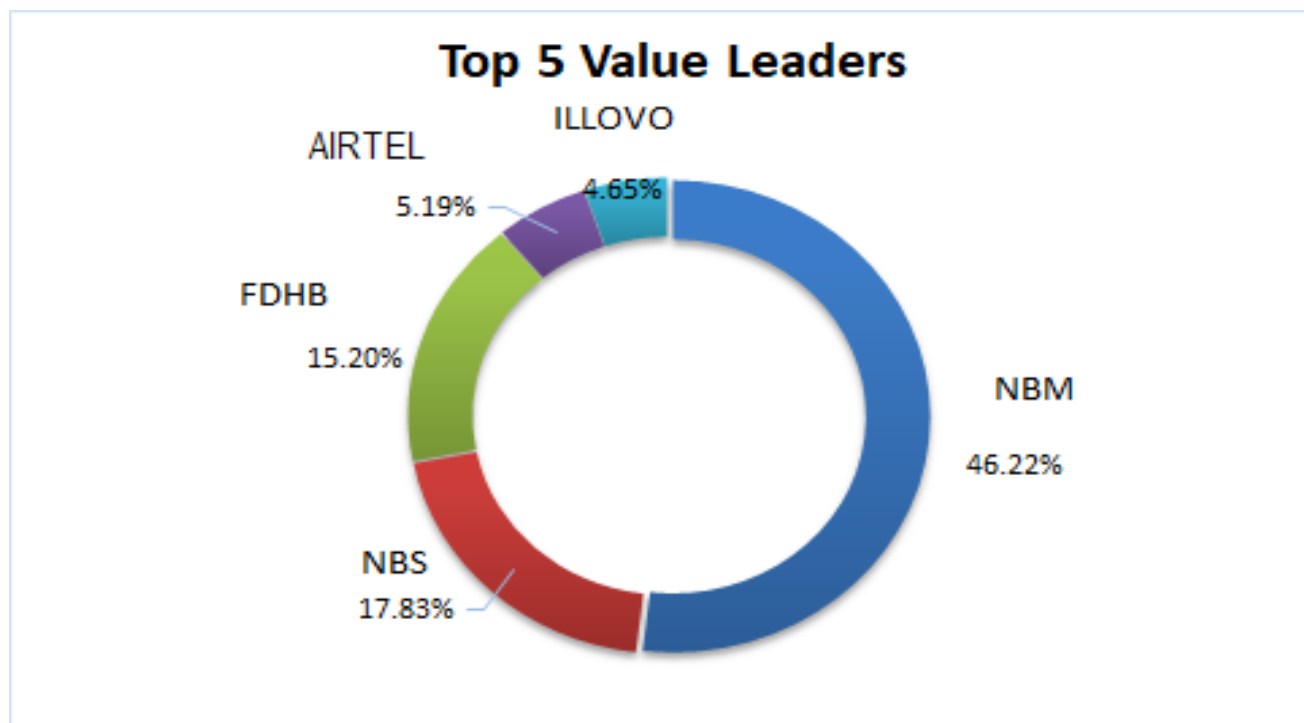


### 3. COMPANY TRADING PERFORMANCE

#### Top 5 Volume Leaders



#### Top 5 Value Leaders





### 3. COMPANY TRADING PERFORMANCE

In the secondary market, 79.84 million shares were transacted at a total consideration of MK9.05 billion (US\$5.22 million) in 1,046 deals with no listings in the primary market.

Symbol	Open	High	Low	Close	Price Δ	Volume	Value	Trades Count	Market Capitalization
AIRTEL	51.05	51.23	51.09	51.21	0.31%	9,168,645	469,478,438.39	54	563,310,000,000.00
BHL	13.04	13.05	13.04	13.05	0.08%	10,000	130,500.00	1	10,958,746,700.25
FDHB	65.17	75.00	65.30	74.52	14.35%	20,319,697	1,375,946,741.85	289	514,264,848,750.00
FMBCH	380.00	380.05	379.96	379.97	-0.01%	223,520	84,942,727.48	46	934,061,252,500.00
ICON	16.80	16.80	16.79	16.79	-0.06%	20,104,917	282,811,804.50	24	112,157,200,000.00
ILLOVO	1,355.15	1,355.16	1,355.14	1,355.14	-0.0007%	310,635	420,957,164.42	65	966,817,032,019.74
MPICO	14.67	15.00	14.67	15.00	2.25%	8,418,448	126,231,821.58	32	34,470,711,900.00
NBM	2,400.14	2,400.20	2,400.14	2,400.19	0.0021%	1,742,796	4,182,988,970.00	113	1,120,724,888,230.22
NBS	101.85	101.85	90.00	90.79	-10.86%	17,666,178	1,613,385,182.23	164	264,250,954,991.24
NICO	199.50	199.50	199.40	199.40	-0.05%	295,260	58,890,696.62	82	207,982,394,542.40
NITL	411.49	411.49	411.47	411.47	-0.0049%	123,965	51,009,905.94	40	55,548,450,000.00
OMU	1,500.03	1,500.03	1,500.03	1,500.03	0.00%	200,657	300,991,543.51	6	19,342,885,349.97
PCL	2,507.00	2,507.00	2,506.97	2,506.98	-0.0008%	10,754	26,960,072.24	17	301,478,935,623.60
STANDARD	3,950.26	3,950.34	3,950.26	3,950.33	0.0018%	9,367	37,002,458.00	35	927,016,680,393.46
SUNBIRD	224.00	224.01	224.00	224.00	0.00%	13,829	3,097,696.48	10	58,594,497,920.00
TNM	12.10	15.01	12.11	15.00	23.97%	1,221,813	16,018,404.75	68	150,606,750,000.00
<b>Total</b>						<b>79,840,481</b>	<b>9,050,844,127.99</b>	<b>1,046</b>	<b>6,241,586,228,920.88</b>





## 4. BOND TRADING PERFORMANCE

In the period under review, there were 7 Development Bonds and 68 Treasury Notes issued by Malawi Government with a total nominal value of MK3.42 trillion as at 31 May 2024.

There were no trades in the secondary market.

Counter Bonds	Nominal Value Issued (MKmn)	Maturity Date	Coupon Rate	BID	OFFER	LAST	Face Value traded (K'000)
03TNY	112,687.7130	21-Apr-25	11.0000	0.0000	0.0000	80.7182	0.0000
10TN8	11,758.9000	29-Dec-32	15.0000	0.0000	0.0000	55.9618	0.0000
10TNY	47,342.2760	1-Jun-33	15.0000	0.0000	0.0000	52.0498	0.0000
23TN5	46,276.0400	26-Jan-28	12.5000	0.0000	0.0000	64.6972	0.0000
25TN7	26,899.4000	17-Oct-29	13.5000	0.0000	0.0000	59.7366	0.0000
2DB07	28,180.8000	24-Nov-29	14.5000	0.0000	0.0000	60.6393	0.0000
3TNRY	10,431.3500	28-Jun-25	11.0000	0.0000	0.0000	76.8326	0.0000
3TNYR	31,446.0280	15-Dec-25	11.0000	0.0000	0.0000	74.9507	0.0000
9DB05	16,069.9600	29-Jun-28	13.5000	0.0000	0.0000	41.6165	0.0000
BD05Y	8,079.6910	1-Dec-27	13.5000	0.0000	0.0000	66.1055	0.0000
CTN05	37,830.0000	23-Mar-28	12.5000	0.0000	0.0000	63.2752	0.0000
DB07I	11,896.6000	10-Mar-29	14.5000	0.0000	0.0000	72.5761	0.0000
DB10Y	692.9000	28-Apr-32	16.0000	0.0000	0.0000	72.0496	0.0000
DB7FF	18,097.8000	1-Sep-29	14.5000	0.0000	0.0000	62.1614	0.0000
DB7GF	29,584.6500	2-Mar-30	14.5000	0.0000	0.0000	60.5778	0.0000
DB820	18,463.1000	19-Aug-31	16.0000	0.0000	0.0000	72.3338	0.0000
GTN05	52,582.7000	4-May-28	12.5000	0.0000	0.0000	61.4978	0.0000
M02TN	57,982.0000	16-Mar-25	10.0000	0.0000	0.0000	81.3651	0.0000
NDT07	53,119.2200	20-Apr-30	13.5000	0.0000	0.0000	55.7311	0.0000
R10TN	115,106.4200	29-Sep-32	15.0000	0.0000	0.0000	59.3652	0.0000
RTN05	144,429.2000	11-Aug-27	12.5000	0.0000	0.0000	68.0190	0.0000
T0119	8,431.0000	20-Jan-32	15.0000	0.0000	0.0000	69.2256	0.0000
T012	125,981.1880	7-May-25	12.5000	0.0000	0.0000	81.0399	0.0000
T0127	30,905.6400	27-Jan-27	12.5000	0.0000	0.0000	74.9917	0.0000
T02DX	40,613.1000	3-Nov-24	10.0000	0.0000	0.0000	82.9730	0.0000
T02JH	93,374.1250	16-Feb-26	11.0000	0.0000	0.0000	75.2701	0.0000
T02KK	125,488.1330	15-Sep-24	10.0000	0.0000	0.0000	83.2350	0.0000
T02QL	71,904.1650	19-Jan-25	10.0000	0.0000	0.0000	82.9472	0.0000
T03BN	94,914.2570	10-Feb-25	11.0000	0.0000	0.0000	81.6864	0.0000
T03SD	92,902.5200	11-Nov-24	11.0000	0.0000	0.0000	87.3825	0.0000
T03VV	113,694.9950	25-Aug-25	11.0000	0.0000	0.0000	76.2257	0.0000
T05NT	19,624.0200	2-Sep-26	12.5000	0.0000	0.0000	84.3890	0.0000
T05QZ	129,295.7340	21-Oct-26	12.5000	0.0000	0.0000	78.6668	0.0000
T05RR	26,849.4500	17-Nov-27	12.5000	0.0000	0.0000	66.1551	0.0000
T0731	6,846.5000	29-Jul-28	13.5000	0.0000	0.0000	72.1403	0.0000



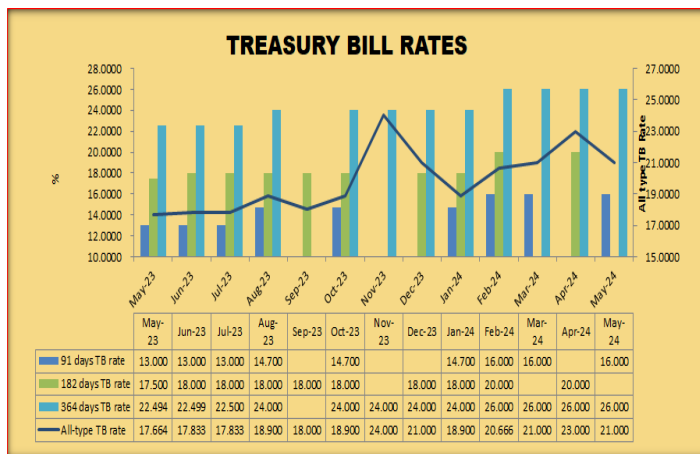
## 4. BOND TRADING PERFORMANCE

T07GK	77,232.2000	14-Jul-29	13.5000	0.0000	0.0000	62.1619	0.0000
T07JK	25,857.0000	2-Feb-30	13.5000	0.0000	0.0000	59.8482	0.0000
T07YR	109,005.9580	15-Jun-30	13.5000	0.0000	0.0000	54.6082	0.0000
T103	36,495.0000	23-Jul-25	12.5000	0.0000	0.0000	77.4237	0.0000
T10BZ	5,000.0000	28-Oct-31	15.0000	0.0000	0.0000	70.6450	0.0000
T10LK	93,435.2250	23-Feb-33	15.0000	0.0000	0.0000	57.4336	0.0000
T10NX	5,463.5000	30-Sep-31	15.0000	0.0000	0.0000	68.4575	0.0000
T10YR	15,975.0000	17-Sep-30	15.0000	0.0000	0.0000	71.7006	0.0000
T2511	7,458.6000	25-Nov-28	13.5000	0.0000	0.0000	73.3232	0.0000
T2MM	69,162.2000	28-Jul-24	10.0000	0.0000	0.0000	84.6553	0.0000
T3YRX	27,158.6900	5-Aug-24	11.0000	0.0000	0.0000	82.3667	0.0000
TN02F	14,972.8830	20-Oct-24	10.0000	0.0000	0.0000	82.4461	0.0000
TN03L	55,692.0460	23-Dec-24	11.0000	0.0000	0.0000	82.2589	0.0000
TN03N	15,571.8000	30-Jun-24	11.0000	0.0000	0.0000	82.3849	0.0000
TN03X	89,955.8000	13-Oct-25	11.0000	0.0000	0.0000	74.9966	0.0000
TN05	63,097.3280	5-Dec-24	10.5000	0.0000	0.0000	86.2716	0.0000
TN05Y	92,884.1040	24-Dec-25	12.5000	0.0000	0.0000	77.3103	0.0000
TN07	78,959.7000	4-Jun-27	13.5000	0.0000	0.0000	76.3317	0.0000
TN102	18,811.4140	15-Aug-26	14.0000	0.0000	0.0000	87.9849	0.0000
TN10F	15,438.7000	16-Jun-32	15.0000	0.0000	0.0000	61.5493	0.0000
TN201	14,326.3700	24-Feb-29	13.5000	0.0000	0.0000	71.7603	0.0000
TN3	27,253.4300	25-Mar-26	12.5000	0.0000	0.0000	77.0438	0.0000
TN5	70,925.0000	6-May-31	15.0000	0.0000	0.0000	70.6523	0.0000
TN50	13,211.0000	22-Oct-25	12.5000	0.0000	0.0000	77.1437	0.0000
TN5YC	83,981.0370	24-Mar-27	12.5000	0.0000	0.0000	74.7614	0.0000
TN7AF	33,927.0700	20-Aug-27	13.5000	0.0000	0.0000	73.8329	0.0000
TN7YR	16,239.7000	9-Jan-27	11.5000	0.0000	0.0000	76.7700	0.0000
TN888	5,960.0000	23-Apr-30	15.0000	0.0000	0.0000	73.0590	0.0000
TN90	19,447.3600	12-Sep-29	15.5000	0.0000	0.0000	88.4233	0.0000
TN92	48,087.0410	27-Dec-25	15.5000	0.0000	0.0000	100.0000	0.0000
TNX07	20,450.0000	12-Nov-27	13.5000	0.0000	0.0000	76.0578	0.0000
TNX10	11,786.0000	10-Dec-30	15.0000	0.0000	0.0000	70.6384	0.0000
TNX7	39,100.2000	17-Jun-28	13.5000	0.0000	0.0000	74.3855	0.0000
TNY07	29,960.4190	14-Jan-28	13.5000	0.0000	0.0000	75.3418	0.0000
TNYR2	49,368.0710	8-Jun-25	10.0000	0.0000	0.0000	78.1983	0.0000
TT05	37,750.9000	3-Jun-26	12.5000	0.0000	0.0000	76.9113	0.0000
TX07Y	13,021.0000	22-Apr-28	13.5000	0.0000	0.0000	74.6008	0.0000
TX10Z	10,740.0000	18-Feb-31	15.0000	0.0000	0.0000	70.6213	0.0000
Y05TN	65,390.7340	2-Jun-27	12.5000	0.0000	0.0000	68.6804	0.0000
YR07T	28,722.0370	5-May-29	13.5000	0.0000	0.0000	66.3666	0.0000
<b>Total</b>	<b>3,417,116.1520</b>						<b>0.0000</b>

## 5. ECONOMIC REVIEW

### Interest Rates

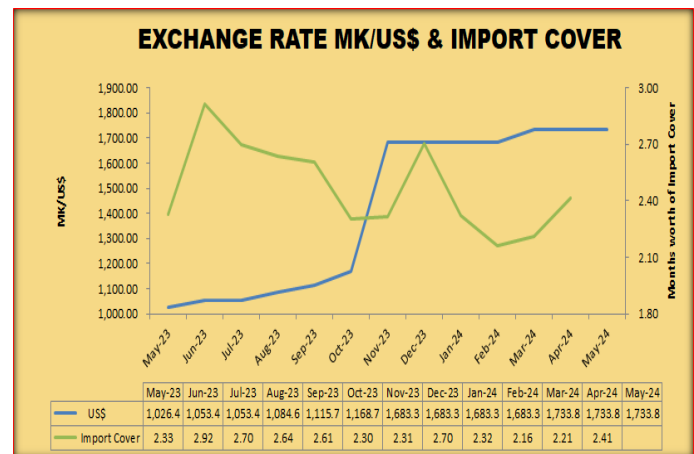
During the period under review, the yields on the 91 day Tbill and the 364 day Tbill were at 16.0000% and 26.0000% respectively with no applications for the 182 day Tbill as at the auction held on 28 May, 2024.



### Exchange Rates

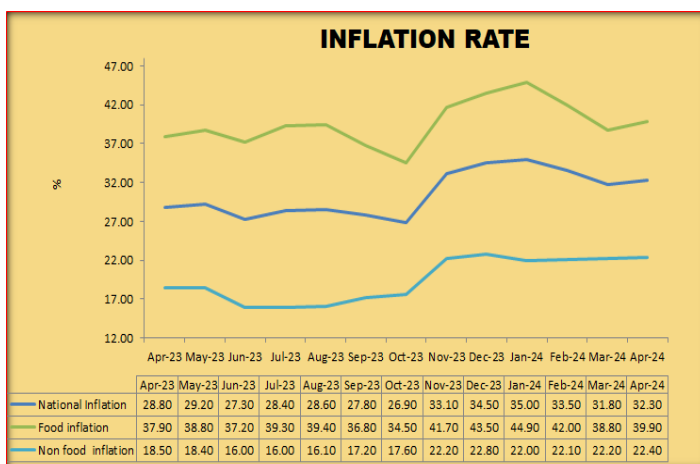
The Kwacha was stable against the United States Dollar in the period under review. The total foreign exchange reserves position was at 2.41 months worth of import cover as at 30 April, 2024.

*\*The import cover in months have been restated and comprises of an aggregate of foreign exchange reserves under the direct control of the Central Bank, Authorized Dealer Banks and Foreign Currency Denominated Account Holders.*



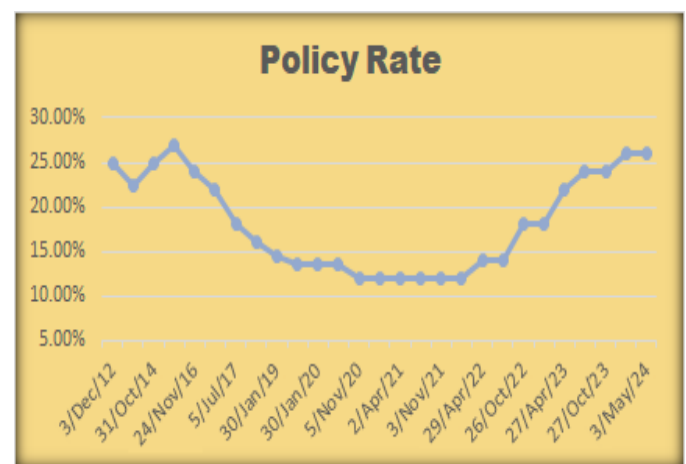
### Inflation Rates

Headline inflation inched upwards by 50 basis points from 31.80% in March, 2024 to 32.30% in April, 2024.



### Monetary Policy Rate

The Monetary Policy Committee at its meeting held on 03 May, 2024 maintained the policy rate at 26%.



## CONTACTS AND ADDRESSES OF MSE STOCKBROKERS

Stockbrokers Malawi Limited  
NBM Business Complex  
P.O Box 31180  
Blantyre  
Tel: +265 111 836 213  
Fax: +265 111 824 353  
Email: [sml@smlmw.com](mailto:sml@smlmw.com)

Continental Capital Limited  
1st Floor, Ulimi House  
P.O Box 1444  
Blantyre  
Tel: +265 111 830 638  
Email: [capital@continental.mw](mailto:capital@continental.mw)  
[capital@cdh-malawi.com](mailto:capital@cdh-malawi.com)

Cedar Capital Ltd  
4th Floor, Livingstone Towers  
P.O Box 3340  
Blantyre  
Tel: +265 111 831 995  
Fax: +265 111 831 859  
Email: [kamphonia@cedarcapital.mw](mailto:kamphonia@cedarcapital.mw)