

MONTHLY MARKET REPORT

JULY 2024



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Malawi's global portal

CONTENTS

<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>Bond trading performance</i>	4
<i>Economic review</i>	5



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



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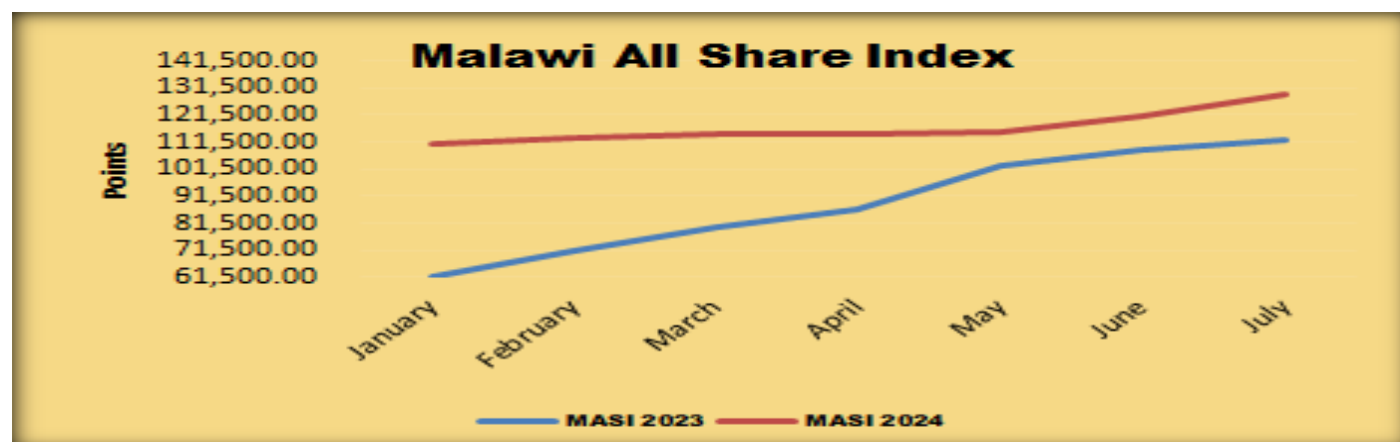
1. TRADING SUMMARY

In the month of July 2024, the market registered a positive month-on-month return on index of 6.52%(6.51% in US\$ terms) and a year-to-date return on index of 16.26%(12.87% in US\$ terms). The market registered a decrease in total traded value despite registering an increase in volume of shares.

There were no trades on the 73 Debt Securities Board.

Index Levels and Return – July 2024

INDEX	July 2024	June 2024	% Monthly Δ 2024	% Monthly Δ 2023	% Δ YTD. 2024
MASI	128,996.65	121,101.77	6.52 ▲	3.53 ▲	16.26 ▲
DSI	99,107.18	92,949.19	6.63 ▲	1.49 ▲	14.76 ▲
FSI	20,018.57	18,911.41	5.85 ▲	22.04 ▲	26.76 ▲



	July 2024	June 2024	Monthly % Δ	July 2023	Y-O-Y %Δ
Traded Value (MK)	3,933,885,852.14	4,823,132,364.44	-18.44	5,619,236,664.99	-29.99
Traded Value (US\$)	2,268,677.38	2,781,721.52	-18.44	5,334,190.34	-57.47
Traded Vol. Shares	35,317,272	24,949,155	41.56 ▲	37,473,913	-5.76
No. of Transactions	1,299	916	41.81 ▲	947	37.17 ▲
Index Close (MASI)	128,996.65	121,101.77	6.52 ▲	112,497.02	14.67 ▲
Listed Debt Securities	73	75		57	
Traded Debt Securities	00	00		00	
Listed companies	16	16		16	
Traded Companies	16	15		16	
Not Traded Companies	00	01		00	
Gainers	08	06		10	
Decliners	06	08		03	
Unchanged	02	01		03	

2. MARKET PERFORMANCE

- A. Trade Performance Analysis
- The market transacted a total of 35.32 million shares at a total consideration of MK3.93 billion (US\$2.27 million) in 1,299 trades in the month of July 2024. In the previous month of June 2024, the market transacted a total of 24.95 million shares at a total consideration of MK4.82 billion (US\$2.78 million) in 916 trades. This reflects a **41.56%** increase in terms of share volume traded but a **-18.44%** (-18.44% in US Dollar terms) decrease in share value traded. Of the shares traded, 397 thousand PCL shares traded as a negotiated deal at a consideration of K873.42 million.

Daily average share trades exhibited similar trends where the market registered an average daily volume of 1.61 million shares compared to 1.25 million shares traded in June 2024, reflecting an increase of **28.69%**.

The average daily turnover for July 2024 was MK178.81 million (US\$103.12 thousand) compared to MK241.16 million (US\$139.09 thousand) in June 2024, reflecting a decrease of **-25.85%** (-25.86% 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 121,101.77 points registered in June 2024 to 128,996.65 points registered in July 2024, giving a month-on-month return on index of **6.52%** (6.51% in US\$ terms). The price gains registered by NBS(68.19%), FDHB (41.87%), OMU(8.19%), FMBCH(5.83%), TNM(1.56%), SUNBIRD(0.01%), NBM (0.003%) and STANDARD(0.002%) were enough to offset share price losses registered by AIRTEL(-10.02%), ICON(-0.75%), PCL(-0.28%), NICO(-0.17%), MPICO(-0.07%) and NITL(-0.02%) resulting into an upward movement of the Malawi All Share Index. The Domestic Share and the Foreign Share Indices inched upwards by 6.63% from 92,949.19 to 99,107.18 points and by 5.85% from 18,911.41 to 20,018.57 points respectively.

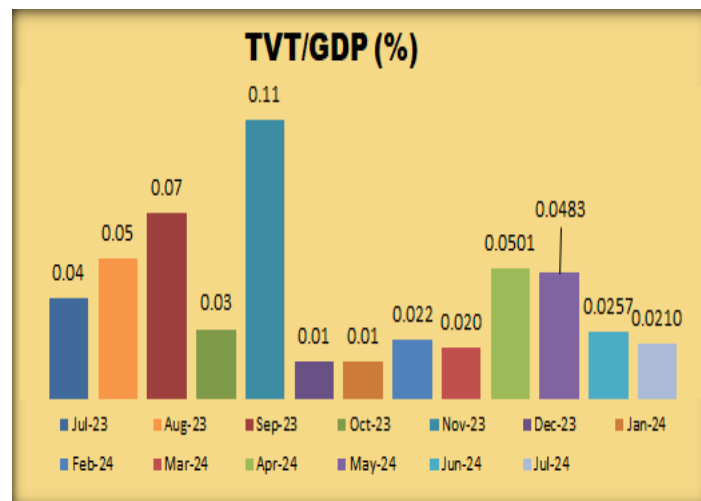
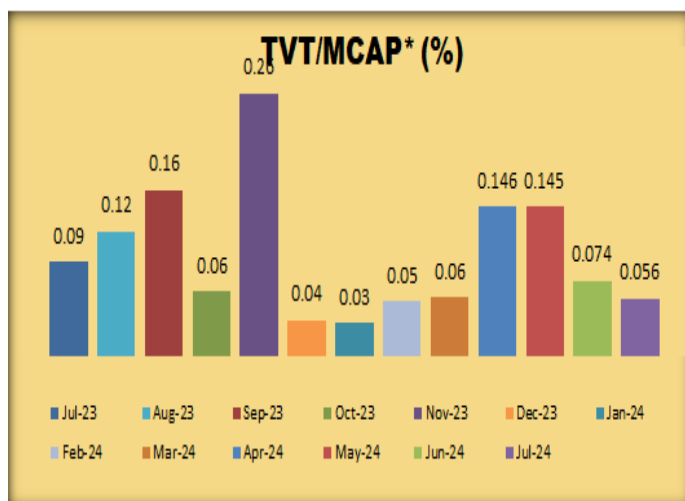
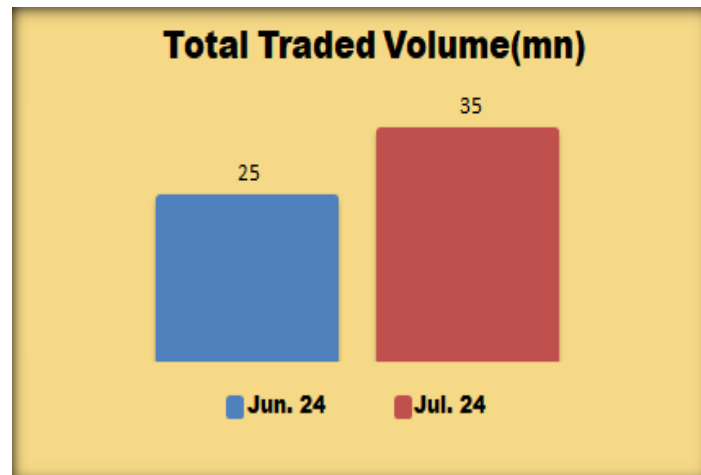
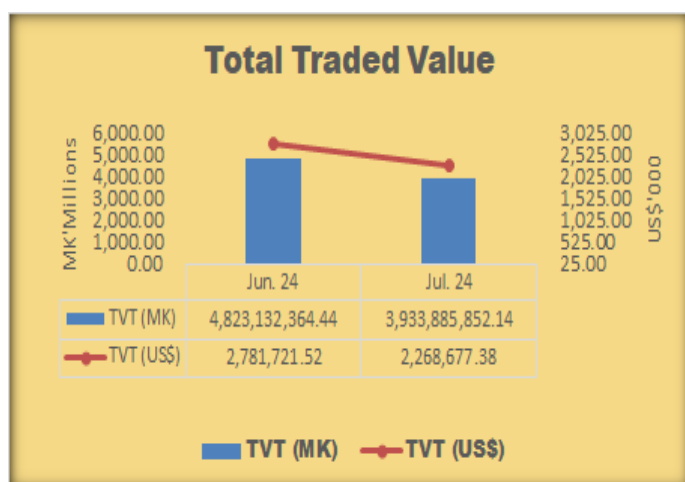
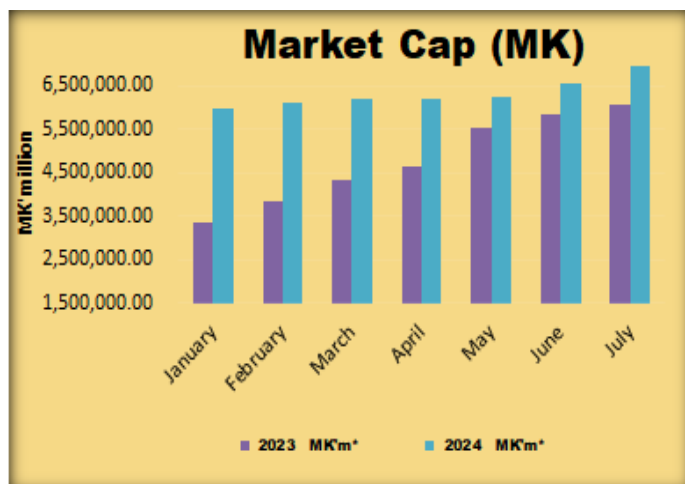
Equity market capitalization increased in both Malawi Kwacha and US Dollar terms from MK6.54 trillion (US\$3.76billion) to MK6.97 trillion (US\$4.02 billion).

- 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 July 2024 was recorded at 0.06%, marginally lower than 0.07 registered in June 2024. The ratio of Total Value of Trades to Gross Domestic Product (**TVT/GDP**) recorded a liquidity level of 0.02% in July 2024 while during the previous month, June 2024, liquidity was at 0.03%.

Market capitalization as a percentage of GDP was at 37.18% in July 2024 and 34.91% in June 2024.



2. MARKET PERFORMANCE



3. COMPANY TRADING PERFORMANCE

Top 5 gainers

Eight counters registered capital gains in the period under review.

MSE CODE	ISIN	COUNTER NAME	% GAIN
NBS	MWNBS0010105	NBS Bank plc	68.19 ▲
FDHB	MWFDHB001166	FDH Bank plc	41.87 ▲
OMU	ZAE000255360	Old Mutual Limited	8.19 ▲
FMBCH	MWFMB0010138	FMB Capital Holdings plc	5.83 ▲
TNM	MWTNM0010126	Telekom Networks Malawi plc	1.56 ▲

Top 5 Losers

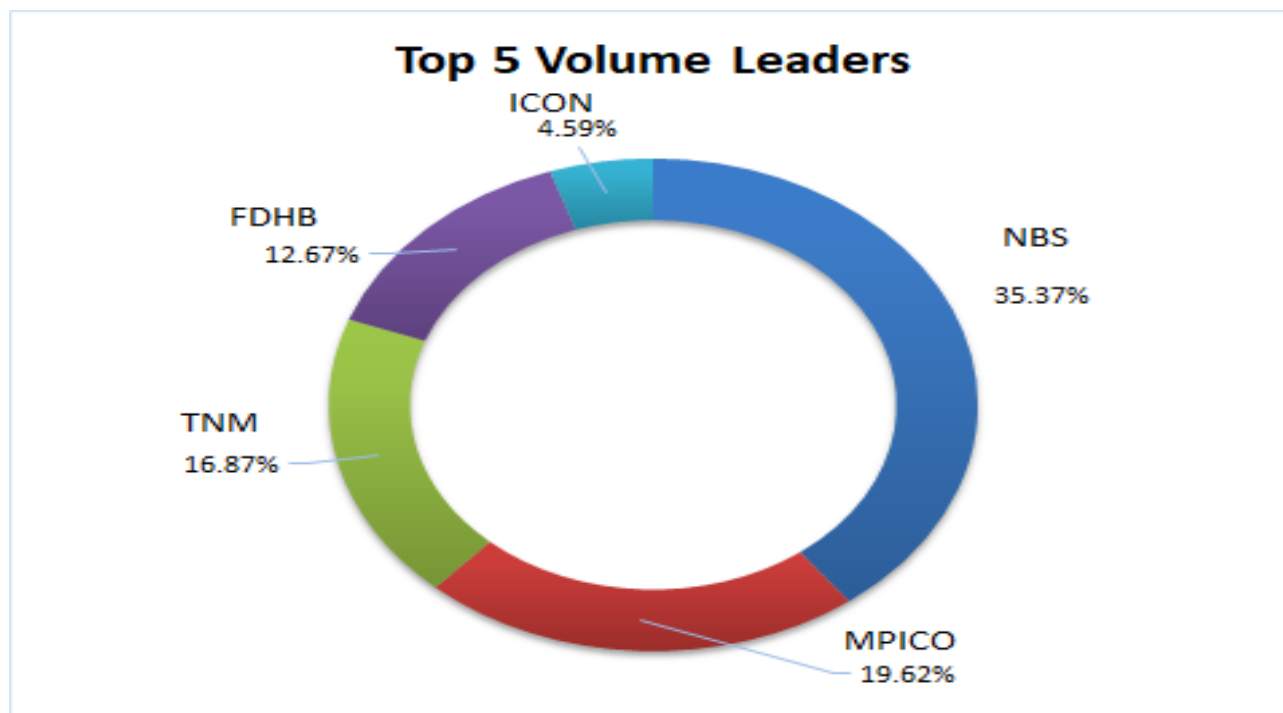
Six counters registered capital losses in the period under review.

MSE CODE	ISIN	COUNTER NAME	% LOSS
AIRTEL	MWAIRT001156	Airtel Malawi plc	-10.02
ICON	MWICON001146	ICON Properties plc	-0.75
PCL	MWPCL0010053	Press Corporation plc	-0.28
NICO	MWNICO0010014	NICO Holdings Plc	-0.17
MPICO	MWMPI0010116	MPICO plc	-0.07

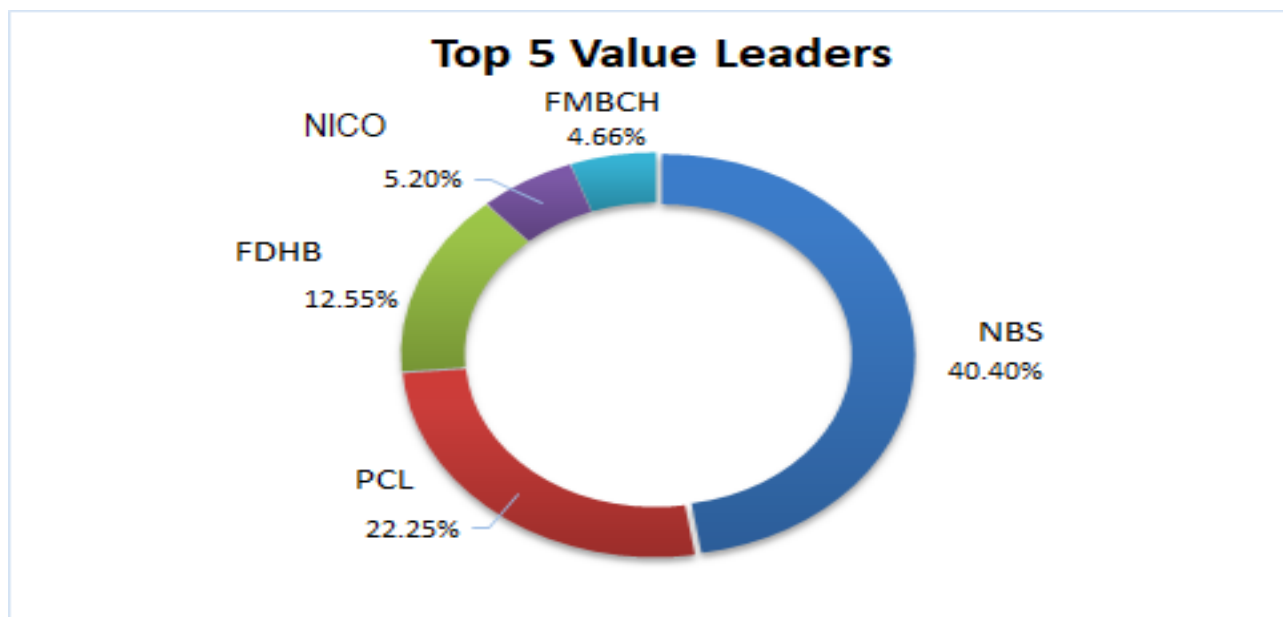


3. COMPANY TRADING PERFORMANCE

Top 5 Volume Leaders



Top 5 Value Leaders





3. COMPANY TRADING PERFORMANCE

In the secondary market, 35.32 million shares were transacted at a total consideration of MK3.93 billion (US\$2.27 million) in 1,299 deals with no listings in the primary market.

Symbol	Open	High	Low	Close	Price Δ	Volume	Value	Trades Count	Market Capitalization
AIRTEL	50.00	50.00	42.50	44.99	-10.02%	1,409,196	65,860,896.95	82	494,890,000,000.00
BHL	13.05	13.05	13.05	13.05	0.00%	265,600	3,466,080.00	2	10,958,746,700.25
FDHB	85.04	130.00	85.04	120.65	41.87%	4,473,301	493,847,056.00	383	832,609,420,312.50
FMBCH	377.96	400.02	377.86	400.00	5.83%	481,136	183,312,993.12	78	983,300,000,000.00
ICON	15.98	15.98	15.86	15.86	-0.75%	1,619,884	25,731,710.87	18	105,944,800,000.00
ILLOVO	1,355.13	1,355.13	1,355.09	1,355.13	0.00%	40,233	54,520,343.45	47	966,809,897,575.83
MPICO	15.01	15.02	15.00	15.00	-0.07%	6,928,017	104,049,566.87	24	34,470,711,900.00
NBM	2,700.01	2,700.09	2,700.01	2,700.08	0.003%	57,983	156,557,908.50	106	1,260,753,047,139.04
NBS	90.53	152.28	90.53	152.26	68.19%	12,490,162	1,589,207,353.00	241	443,163,899,184.56
NICO	199.35	199.35	199.02	199.02	-0.17%	1,026,155	204,396,135.24	126	207,586,038,925.92
NITL	411.43	411.43	411.36	411.36	-0.02%	40,890	16,822,190.31	26	55,533,600,000.00
OMU	1,500.03	1,650.00	1,500.03	1,622.93	8.19%	21,758	35,247,210.96	5	20,901,717,092.93
PCL	2,506.97	2,506.97	2,499.97	2,499.97	-0.28%	397,802	875,403,935.60	13	300,635,942,325.40
STANDARD	4,400.00	4,400.01	4,400.00	4,400.01	0.0002%	1,000	4,400,010.00	1	1,032,542,259,481.62
SUNBIRD	224.01	224.03	224.01	224.03	0.01%	107,429	24,067,304.58	21	58,602,345,397.40
TNM	16.06	16.50	16.04	16.31	1.56%	5,956,726	96,995,156.69	126	163,759,739,500.00
Total						35,317,272	3,933,885,852.14	1,299	6,972,462,165,535.45



4. BOND TRADING PERFORMANCE

In the period under review, there were 7 Development Bonds and 66 Treasury Notes issued by Malawi Government with a total nominal value of MK3.33 trillion as at 31 July 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
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



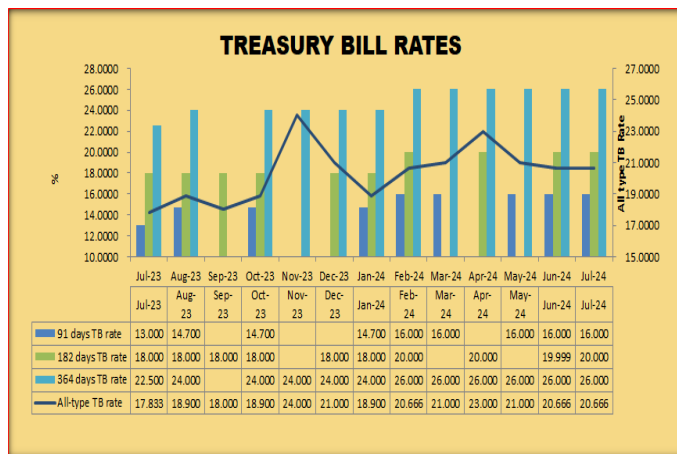
4. BOND TRADING PERFORMANCE

T0731	6,846.5000	29-Jul-28	13.5000	0.0000	0.0000	72.1403	0.0000
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
T10B2	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
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
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	15,498.7000	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	27,253.4900	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
TX102	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
Total	3,332,382.1520						0.0000

5. ECONOMIC REVIEW

Interest Rates

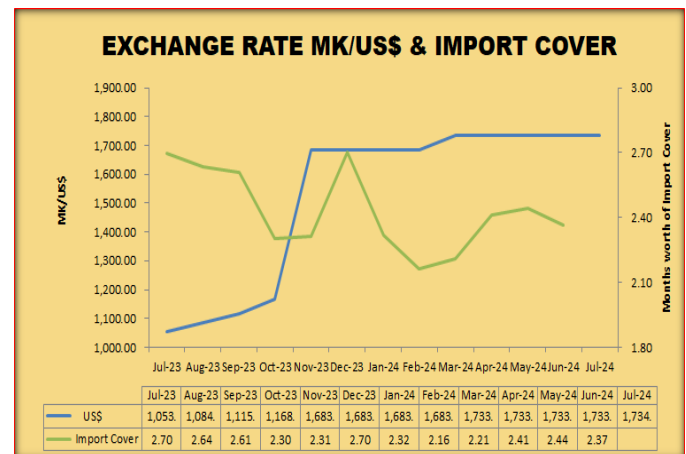
During the period under review, the yields on the 91 day Tbill, the 182 day Tbill and the 364 day Tbill were steady 16.0000%, 20.0000% and 26.0000% respectively.



Exchange Rates

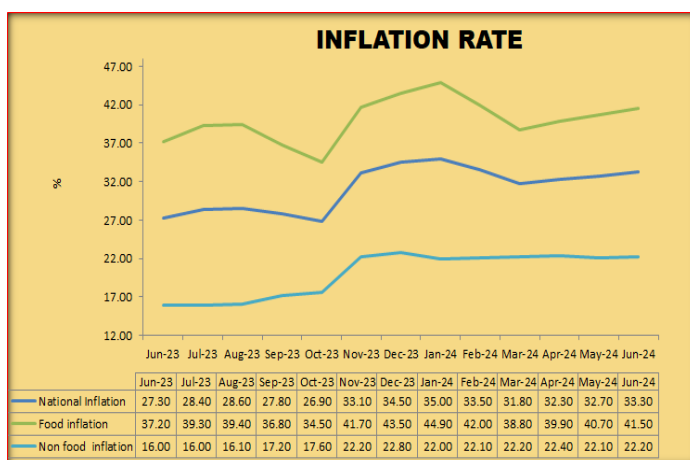
The Kwacha marginally depreciated by 0.01% against the United States Dollar in the period under review. The total foreign exchange reserves position was at 2.37 months worth of import cover as at 30 June, 2024.

**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.*



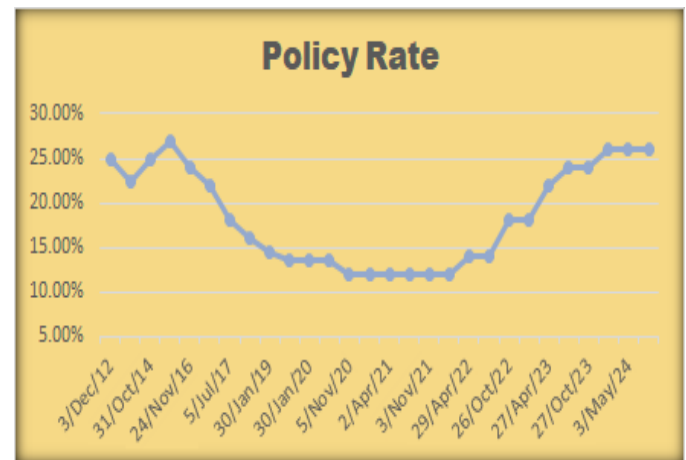
Inflation Rates

Headline inflation inched upwards by 60 basis points from 32.70% in May, 2024 to 33.30% in June, 2024.



Monetary Policy Rate

The Monetary Policy Committee at its meeting held on 25 July, 2024 maintained the policy rate at 26%.



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