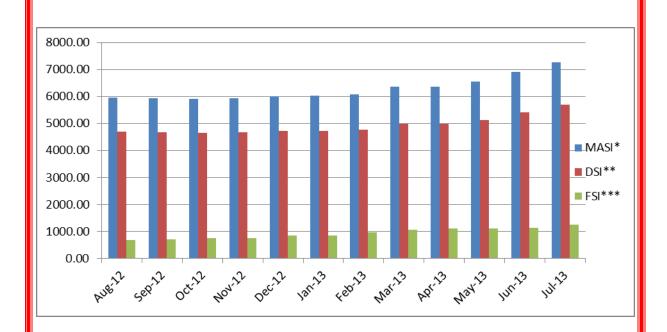


MONTHLY MARKET REPORT

JULY 2013



MALAWI STOCK EXCHANGE

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MALAWI STOCK EXCHANGE LIMITED

MONTHLY MARKET PERFORMANCE REPORT FOR JULY 2013

1.0 TRADING SUMMARY

The Market continued beating it's record high since inception to close the month of July at 7277.08 points compared to 6914.45 points in June, giving a monthly return on index of 5.24%(20.97% YTD) and an increase in both total value traded and volume compared to the previous month.

Index Levels and Return - JULY 2013

INDEX	July 2012	June 2013	July 2013	Monthly % Δ	YTD % ∆
MASI	5964.21	6914.45	7277.08	5.24 ▲	20.97 🛦
DSI	4702.61	5418.32	5696.53	5.13 ▲	20.55 ▲
FSI	653.57	1131.18	1256.86	11.11 ▲	47.06 ▲

Trading Statistics – JULY 2013

	JULY 2013	JUNE 2013	$\% \Delta$
Traded Value (MK)	934,744,095.86	105,232,309.10	788.27▲
Traded Value (US\$)	2,807,641.48	318,598.16	781.25▲
Traded Vol. Shares	415,482,537	41,107,731	910.72▲
No. of Transactions	126	102	23.53▲
Index Close (MASI)	7277.08	6914.45	5.24▲
Index Close (DSI)	5696.53	5418.32	5.13▲
Listed companies	14	14	
Traded Companies	12	12	
Not Traded	02	02	
Companies			
Gainers	10	07	
Decliners	00	02	
Unchanged	02	03	

2.0 MARKET PERFORMANCE

2.1 Trade Performance Analysis

From 1st July to 31st July, 2013 a total of 415,482,537 [*9,725,988 in July 2012*] shares were transacted at a total consideration of MK934,744,095.86(US\$2,807,641.48) [*MK396,977,476.40(US\$1,429,585.97*) *in July 2012*] in 126 trades. In the previous month, June 2013, the market

transacted a total of 41,107,731 shares at a total consideration of MK105,232,309.10 (US\$318,598.16) in 102 trades. This reflects a 910.72% increase in terms of share volume and 788.27% (781.25% in US Dollar terms) increase in share value.

The market registered an average daily volume of 19,784,883 shares in July 2013 compared to 1,957,511 shares in June 2013.

The average daily turnover for July 2013 was MK44,511,623.61 (US\$133,697.21) compared to MK5,011,062.34 (US\$15,171.34) for the previous month, reflecting an increase of 788.27% (781.25% in US Dollar terms).

TABLE 1: TRADING SUMMARY FOR JUNE 2013 – JULY 2013

DATE	VOLUME	VALUE (MWK)	VALUE (US\$)
June	415,482,537	934,744,095.86	2,807,641.48
July	41,107,731	105,232,309.10	318,598.16
% CHANGE	910.72 ▲	788.27 ▲	781.25 ▲

2.2 Market Capitalisation and Index

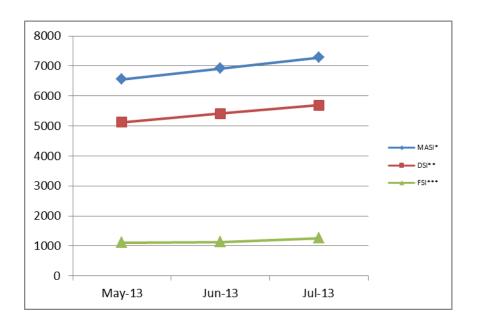
The market registered a positive return on index as reflected in the upward movement of the Malawi All Share Index (MASI) from 6914.45 points registered on 30th June 2013 to 7277.08 points registered on 31st July 2013, giving a return on index of 5.24%, (6.21% in US\$ terms). The price gains registered by ten counters, FMB, ILLOVO, NBM, NBS, NITL, PCL, STANDARDBANK, SUNBIRD, TNM and OML were the major drivers resulting into an increase in both the Foreign Share Index and the Domestic Share Index by 11.11 points from 1131.18 points to 1256.86 points and by 5.13 points from 5418.32 points to 5696.53 points (6.10% in US\$ terms) respectively.

Table 2: Market Capitalization and Index – July 2013

Month Ending	Mkt. Cap. MKm.	Mkt. Cap US\$m	Mkt. Cap. MKm*	Mkt. Cap US\$m*	MASI
June	4,690,537.67	14,023.3768	291,896.07	872.6864	6914.45
July	5,197,594.85	15,539.3339	307,204.42	918.4540	7277.08

^{*} Excludes non-Malawi register Old Mutual plc shares

FIG 1: MSE INDICES – July 2013



2.3 Market Liquidity

The turnover velocity measured by the ratio of Total Value of Trades to Market Capitalisation **(TVT/MCAP*)** in July was recorded at 0.30% compared to 0.04% registered in the previous month. The ratio of Total Value of Trades to Gross Domestic Product **(TVT/GDP)** recorded a liquidity level of 0.05% compared to 0.01% recorded in the previous month.

Table 3: Market Liquidity - July 2013

MONTH Ended	Mkt. Cap/GDP %	Mkt. Cap/GDP*	TVT/GDP	TVT/Mkt. Cap* %	Shares Traded/Shares In Issue* %
June	253.56	15.779	0.00569	0.0361	0.233671
July	280.68	16.590	0.05048	0.3043	2.361755

^{*} Excludes non-Malawi register Old Mutual plc shares

2.4 Company Trading Performance

Top Gainers

MSE CODE	COUNTER NAME	% GAIN
TNM	TNM	26.92
NITL	National Investment Trust Ltd	11.76
NBS	NBS Bank	11.11
OML	Old Mutual plc	11.11
ILLOVO	Illovo Sugar MW	5.17
NBM	National Bank of Malawi	4.17
Standardbank	Standard Bank MW	3.61
SUNBIRD	Sunbird Tourism Ltd	1.08
PCL	Press Corporation Ltd	0.52
FMB	FMB Bank	0.47

Ten counters registered a capital gain in July 2013.

Top Decliners

MSE CODE	COUNTER NAME	% LOSS

There were no capital losses in July 2013.

Top Four Traded Stocks by Volume- July 2013

MSE CODE	COUNTER NAME	SHARES	% OF TOTAL
TNM	TNM	385,642,512	92.82
NICO	NICO Holdings Ltd	13,417,472	3.23
MPICO	MPICO Itd	8,262,129	1.99
SUNBIRD	Sunbird Tourism Ltd	4,482,207	1.08

Top Four Traded Stocks by Value- July 2013

MSE CODE	COUNTER NAME	MK	% OF TOTAL
TNM	TNM	636,233,949.80	68.07
NICO	NICO Holdings Ltd	191,869,849.60	20.53
SUNBIRD	Sunbird Tourism Ltd	29,427,099.99	3.15
NBS	NBS Bank	23,825,957.82	2.55

Company Trading Statistics- July 2013

Company	Opening Price	Closing Price	% Price Change	Share Vol. Traded	Value Traded MK
BHL	700	700	0.00%	-	-
FMB	850	854	0.47%	598,270	5,094,672.36
ILLOVO	19016	20000	5.17%	70,453	13,922,520.00
MPICO	200	200	0.00%	8,262,129	16,524,258.00
NBM	6720	7000	4.17%	67,179	4,575,081.89
NBS	900	1000	11.11%	2,435,857	23,825,957.82
NICO	1430	1430	0.00%	13,417,472	191,869,849.60
NITL	1700	1900	11.76%	486,414	8,579,718.00
PCL	18800	18897	0.52%	17,760	3,356,094.40
REAL	100	100	0.00%	-	-
STANDARDBANK	16600	17200	3.61%	1,061	181,532.00
SUNBIRD	650	657	1.08%	4,482,207	29,427,099.99
TNM	130	165	26.92%	385,642,512	636,233,949.80
OML	90000	100000	11.11%	1,223	1,153,362.00
				415,482,537	934,744,095.86

3.0 ECONOMIC POSITION

3.1 The Malawi Kwacha appreciated marginally against all major trading currencies between 30th June and 31st July, 2013 as shown in Table 2 below;

TABLE 2: MONTHLY EXCHANGE RATES: JUNE 2013-JULY 2013

CURRENCY	END JUN' 2013	END JUL' 2013	% CHANGE*
MK/US Dollar	337.9581	331.4435	1.97
MK/GBP	518.2213	504.9713	2.62
MK/ZAR	34.3962	33.9807	1.22
MK/EUR	441.4197	439.5083	0.43

Source: National Bank of Malawi; *Used the reciprocal method to calculate % change

3.2 The year on year headline inflation stood at 27.9% in June 2013 down by 3.1%. The urban and rural inflation rates for the month of June 2013 were 37.1% and 26.5% respectively.

Key Economic Indicators- July 2013

	July 2012	June 2013	July 2013
Inflation Rate	21.7	27.9	27.9(Jun)
RBM Bank Rate	21.0	25.0	25.0
Prime Rate	31.0	40.0	35.0
91 Days T-Bill	19.12	32.90	29.06
182 Days T-Bill	19.40	32.92	30.00
364 Days T-Bill	22.96	35.96	30.12
Import			
Cover(Months)	1.0	2.49	2.60(29 Jul)

Source: Reserve Bank of Malawi, National Bank of Malawi and National Statistical Office

The 91 days, 182 days and 364 days treasury bills fell by 11.67%, 8.86% and 16.24% respectively.

Import cover slightly improved by 4.41% from 2.49 months on 30th June to 2.60 months on 29th July.